

DeAnza Gardens, a California Limited Partnership
Managing General Partner; DeAnza Housing Corporation,
A California Non-Profit Public Benefit Corporation



Joseph Villarreal, President
Anthony Reese, Treasurer of the Corporation
Ken Bartlett, Secretary of the Corporation
Joanne Segura, Member at Large
Nataline Jindoian, Member at Large

PERSONS WHO WISH TO ADDRESS THE BOARD DURING PUBLIC COMMENT OR WITH RESPECT TO AN
ITEM THAT IS ON THE AGENDA, WILL BE LIMITED TO TWO (2) MINUTES.

AGENDA

BOARD OF DIRECTORS MEETING DeANZA HOUSING CORPORATION

Large Conference Room, 3133 Estudillo St., Martinez, CA 94553

Zoom Meeting ID: 640 602 9733

<https://us02web.zoom.us/j/6406029733>

Wednesday, November 9, 2022 at 3:30pm

- I. Call to Order
- II. CONSIDER CONSENT ITEMS: Items are subject to removal from the Consent Calendar by request from any Board Member or on request for discussion by a member of the public. Items removed from the Consent Calendar will be considered with the Discussion Items.
- III. DISCUSSION ITEMS
 1. CONSIDER Consent Items previously removed
 2. PUBLIC COMMENT (2 Minutes/Speaker)
 3. AUTHORIZE and ADOPT DeAnza Housing Corporation Resolution No. 1003 to select and engage PNC Real Estate to refinance the existing debt on DeAnza Gardens with a new loan with a lower interest rate and borrow additional funds to enhance DeAnza's replacement reserve account as well as other development activity by the Housing Authority of the County of Contra Costa (HACCC).
- IV. Adjournment

GENERAL INFORMATION



3133 Estudillo St. • P.O. Box 2759 • Martinez, CA • Phone: (925) 957-8001 • Fax (925) 372-0236



Persons who wish to address the Board of Directors should complete the form provided for that purpose and furnish a copy of any written statement to the Secretary.

All matters listed under CONSENT ITEMS are considered by the Board of Directors to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Board or a member of the public prior to the time the Directors vote on the motion to adopt.

Comments on matters listed on the agenda or otherwise within the purview of the Board of Directors can be submitted via mail: DeAnza Housing Corporation, PO Box 2759, Martinez, CA 94553, by telephone: (925) 957-8028, or via fax: (925) 372-3678.

The DeAnza Housing Corporation will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact Nataline Jindoian at least 24 hours before the meeting at (925) 957-8028; TDD (925) 957-1685.



To: DEANZA HOUSING CORPORATION BOARD OF DIRECTORS

From: ELIZABETH CAMPBELL, DEANZA HOUSING CORPORATION

Date: September 22, 2022

Subject: AUTHORIZE SELECTION OF PNC REAL ESTATE AS THE LENDER TO
REFINANCE THE OUTSTANDING LOAN DEBT ON DEANZA GARDENS AND USE EXCESS
PROCEEDS AND RESIDUAL RECEIPTS FOR ADDITIONAL HOUSING AUTHORITY
DEVELOPMENT ACTIVITY



I. RECOMMENDED ACTION:

AUTHORIZE and ADOPT DeAnza Housing Corporation Resolution No. 1003 to select and engage PNC Real Estate to refinance the existing debt on DeAnza Gardens with a new loan with a lower interest rate and borrow additional funds to enhance DeAnza's replacement reserve account as well as other development activity by the Housing Authority of the County of Contra Costa (HACCC).

II. FINANCIAL IMPACT:

The refinancing of DeAnza's debt will result in a lower monthly debt service on the current debt and thus will increase the property's earnings potential for the benefit of the Housing Authority and DeAnza Housing Corporation.

III. REASONS FOR RECOMMENDATION/BACKGROUND:

DeAnza Gardens (the "Project") is comprised of 180 units constructed in 2004 – 2005 and funded by a number of resources including Low Income Housing Tax Credits ("LIHTC"). The Project was placed in service in 2005 and 2006. The property has outstanding debt in the amount of \$10,798,773 projected as of 12-31-2022. This includes \$6,898,773 in conventional lender debt as well as approximately \$3,900,000 in loans received from the Housing Authority of the County of Contra Costa and DeAnza Housing Corporation.

The current bank has an interest rate of 6.8% and carries a significant balloon payment due in 2023. Refinancing the debt will not only reduce the interest rate to approximately 4.78% but will also allow DeAnza Housing Corporation to sunset the old loan and the impending balloon payment due in 2023.

IV. Process for Selection of Lender.

HACCC, in consultation with our financial consultant, reached out to six lenders, on June 30, 2022, that were known for underwriting loans for affordable housing projects and solicited refinancing proposals. By the July 29, 2022 deadline, only three lenders submitted proposals to handle the transaction and a summary of the three proposals is attached. All three proposals were evaluated on similar terms of 30-year terms with similar loan amounts and repayment terms. HACCC eliminated any proposals that recommended FHA origination as they are known to be cumbersome in administrative requirements and slow in responding to client needs.

Moreover, on August 11, 2022, HACCC requested updated loan terms from the two lenders who we felt had the best terms and possibilities to be our lender. Those updates are attached as well. Lument and PNC Real Estate have submitted very similar terms but in the final determination, we are choosing to

proceed with PNC Real Estate who has presented us with the lowest interest rate for the same period and similar terms.

V. CONSEQUENCES OF NEGATIVE ACTION:

If the action to select the lender with the best terms to refinance the outstanding debt at DeAnza Gardens is not approved, then the property will be forced to pay a balloon payment of approximately \$6,642,300 in October, 2023.

VI. ATTACHMENTS:

Resolution No. 1003
Existing Loan Amortization Schedule
DeAnza Housing Corporation Loan Agreement
HACCC Loan Agreement
Regulatory Agreement and Declaration of Restrictive Covenant
Summary of Initial Loan Term Proposals
Updated Loan Term Sheet from Lument
Updated Loan Term Sheet from PNC Real Estate

DEANZA HOUSING CORPORATION
DEANZA GARDENS, L.P.
CORPORATE/PARTNERSHIP AUTHORIZING RESOLUTION 1003
RE: SELECTION OF PNC REAL ESTATE AS THE LENDER TO REFINANCE THE
OUTSTANDING LOAN DEBT ON DEANZA GARDENS AND USE EXCESS PROCEEDS
AND RESIDUAL RECEIPTS FOR ADDITIONAL HOUSING AUTHORITY
DEVELOPMENT ACTIVITY (DeAnza)

At a duly constituted meeting of the Board of Directors (the "**Board**") of DeAnza Housing Corporation, a California nonprofit public benefit corporation (the "**Corporation**"), held on November 9, 2022, the following resolutions were adopted:

WHEREAS, in this resolution, the Board shall be acting on behalf of the Corporation: (i) on its own behalf and (ii) as a general partner of DeAnza Gardens, L.P., a California limited partnership (the "**Partnership**");

WHEREAS, the property has outstanding debt in the amount of \$10,798,773 projected as of 12-31-2022. This includes \$6,898,773 in conventional lender debt as well as approximately \$3,900,000 in loans received from the Housing Authority of the County of Contra Costa and DeAnza Housing Corporation;

WHEREAS, the conventional loan in the amount of approximately \$6,898,773 has a balloon payment due on October 1, 2023;

WHEREAS, it is in the best interest of the Corporation and the Partnership to refinance the loan to avoid having to make the balloon payment and, instead, continue to make monthly payments;

WHEREAS, a solicitation was made of lenders interested in refinancing the conventional loan and three interested lenders submitted proposals;

WHEREAS, the lender with the most advantageous proposal for the Corporation and the Partnership was PNC Real Estate;

NOW, THEREFORE, BE IT RESOLVED: That the Partnership shall select PNC Real Estate as the lender to refinance the outstanding loan debt on DeAnza Gardens and use excess proceeds and residual receipts for additional housing authority development activity.

FURTHER RESOLVED: That the Corporation in its own capacity and/or in its capacity as the general partner of the Partnership, shall enter into the new loan documents.

FURTHER RESOLVED: That Joseph Villarreal, President of the Corporation, or any other officer of the Corporation, acting alone on behalf of the Corporation, in its own capacity, and in its capacity as the general partner of the Partnership, is authorized, empowered and directed to: (i) take any and all necessary actions, and execute any and all necessary documents in its own capacity and in its capacity as the general partner of the Partnership, including, but not limited to, the documents; (ii) take any further actions necessary to do all other activities

contemplated by this Resolution or otherwise necessary to cause the loan to be refinanced and execute all newly generated loan documents on behalf of the Corporation.

FURTHER RESOLVED: That Joseph Villarreal, President of the Corporation, or any other officer of the Corporation, acting alone on behalf of the Corporation in its own capacity and in its capacity as the general partner of the Partnership, is authorized, empowered and directed to execute any other form of resolution required by a lender, investor, or other third party, if determined by an officer of the Corporation, with the advice of counsel, to be substantially equivalent to this form of resolution.

RESOLVED FURTHER: That to the extent that any actions authorized herein have already been performed, such actions are ratified and approved.

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SECRETARY'S CERTIFICATE

I, the undersigned, hereby certify that the foregoing is a true copy of the Resolution adopted by the Board of Directors at a meeting of the above-mentioned Corporation, and that said Resolution is in full force and effect.

Dated: November 9, 2022

By: _____
Kenneth Bartlett, Secretary

California Community Reinvestment Corp
Amortization Schedule

Loan Number: 9920427
 Name On Loan: DeAnza Gardens
 Principal Balance: \$10,115,373.00
 Interest Rate: 6.600000
 Interest Calculation Method: 30/360
 Payment Frequency: Monthly
 Term In Months: 216
 P&I Amount: \$64,602.72
 1st Payment Due Date: 11/01/2005

Payment Number	Payment Due Date	Interest Amount	Principal Amount	Payment Amount	Principal Balance
1	11/01/2005	\$55,634.55	\$8,968.17	\$64,602.72	\$10,106,404.83
2	12/01/2005	\$55,585.23	\$9,017.49	\$64,602.72	\$10,097,387.34
Yearly Sub-Totals:		\$111,219.78	\$17,985.66	\$129,205.44	
3	01/01/2006	\$55,535.63	\$9,067.09	\$64,602.72	\$10,088,320.25
4	02/01/2006	\$55,485.76	\$9,116.96	\$64,602.72	\$10,079,203.29
5	03/01/2006	\$55,435.62	\$9,167.10	\$64,602.72	\$10,070,036.19
6	04/01/2006	\$55,385.20	\$9,217.52	\$64,602.72	\$10,060,818.67
7	05/01/2006	\$55,334.50	\$9,268.22	\$64,602.72	\$10,051,550.45
8	06/01/2006	\$55,283.53	\$9,319.19	\$64,602.72	\$10,042,231.26
9	07/01/2006	\$55,232.27	\$9,370.45	\$64,602.72	\$10,032,860.81
10	08/01/2006	\$55,180.73	\$9,421.99	\$64,602.72	\$10,023,438.82
11	09/01/2006	\$55,128.91	\$9,473.81	\$64,602.72	\$10,013,965.01
12	10/01/2006	\$55,076.81	\$9,525.91	\$64,602.72	\$10,004,439.10
13	11/01/2006	\$55,024.42	\$9,578.30	\$64,602.72	\$9,994,860.80
14	12/01/2006	\$54,971.73	\$9,630.99	\$64,602.72	\$9,985,229.81
Yearly Sub-Totals:		\$663,075.11	\$112,157.53	\$775,232.64	
15	01/01/2007	\$54,918.76	\$9,683.96	\$64,602.72	\$9,975,545.85
16	02/01/2007	\$54,865.50	\$9,737.22	\$64,602.72	\$9,965,808.63
17	03/01/2007	\$54,811.95	\$9,790.77	\$64,602.72	\$9,956,017.86
18	04/01/2007	\$54,758.10	\$9,844.62	\$64,602.72	\$9,946,173.24
19	05/01/2007	\$54,703.95	\$9,898.77	\$64,602.72	\$9,936,274.47
20	06/01/2007	\$54,649.51	\$9,953.21	\$64,602.72	\$9,926,321.26
21	07/01/2007	\$54,594.77	\$10,007.95	\$64,602.72	\$9,916,313.31
22	08/01/2007	\$54,539.72	\$10,063.00	\$64,602.72	\$9,906,250.31
23	09/01/2007	\$54,484.38	\$10,118.34	\$64,602.72	\$9,896,131.97
24	10/01/2007	\$54,428.73	\$10,173.99	\$64,602.72	\$9,885,957.98
25	11/01/2007	\$54,372.77	\$10,229.95	\$64,602.72	\$9,875,728.03
26	12/01/2007	\$54,316.50	\$10,286.22	\$64,602.72	\$9,865,441.81
Yearly Sub-Totals:		\$655,444.64	\$119,788.00	\$775,232.64	
27	01/01/2008	\$54,259.93	\$10,342.79	\$64,602.72	\$9,855,099.02
28	02/01/2008	\$54,203.04	\$10,399.68	\$64,602.72	\$9,844,699.34
29	03/01/2008	\$54,145.85	\$10,456.87	\$64,602.72	\$9,834,242.47
30	04/01/2008	\$54,088.33	\$10,514.39	\$64,602.72	\$9,823,728.08
31	05/01/2008	\$54,030.50	\$10,572.22	\$64,602.72	\$9,813,155.86
32	06/01/2008	\$53,972.36	\$10,630.36	\$64,602.72	\$9,802,525.50
33	07/01/2008	\$53,913.89	\$10,688.83	\$64,602.72	\$9,791,836.67
34	08/01/2008	\$53,855.10	\$10,747.62	\$64,602.72	\$9,781,089.05
35	09/01/2008	\$53,795.99	\$10,806.73	\$64,602.72	\$9,770,282.32
36	10/01/2008	\$53,736.55	\$10,866.17	\$64,602.72	\$9,759,416.15

California Community Reinvestment Corp
Amortization Schedule

Payment Number	Payment Due Date	Interest Amount	Principal Amount	Payment Amount	Principal Balance
38	12/01/2008	\$53,616.70	\$10,986.02	\$64,602.72	\$9,737,504.20
Yearly Sub-Totals:		\$647,295.03	\$127,937.61	\$775,232.64	
39	01/01/2009	\$53,556.27	\$11,046.45	\$64,602.72	\$9,726,457.75
40	02/01/2009	\$53,495.52	\$11,107.20	\$64,602.72	\$9,715,350.55
41	03/01/2009	\$53,434.43	\$11,168.29	\$64,602.72	\$9,704,182.26
42	04/01/2009	\$53,373.00	\$11,229.72	\$64,602.72	\$9,692,952.54
43	05/01/2009	\$53,311.24	\$11,291.48	\$64,602.72	\$9,681,661.06
44	06/01/2009	\$53,249.14	\$11,353.58	\$64,602.72	\$9,670,307.48
45	07/01/2009	\$53,186.69	\$11,416.03	\$64,602.72	\$9,658,891.45
46	08/01/2009	\$53,123.90	\$11,478.82	\$64,602.72	\$9,647,412.63
47	09/01/2009	\$53,060.77	\$11,541.95	\$64,602.72	\$9,635,870.68
48	10/01/2009	\$52,997.29	\$11,605.43	\$64,602.72	\$9,624,265.25
49	11/01/2009	\$52,933.46	\$11,669.26	\$64,602.72	\$9,612,595.99
50	12/01/2009	\$52,869.28	\$11,733.44	\$64,602.72	\$9,600,862.55
Yearly Sub-Totals:		\$638,590.99	\$136,641.65	\$775,232.64	
51	01/01/2010	\$52,804.74	\$11,797.98	\$64,602.72	\$9,589,064.57
52	02/01/2010	\$52,739.86	\$11,862.86	\$64,602.72	\$9,577,201.71
53	03/01/2010	\$52,674.61	\$11,928.11	\$64,602.72	\$9,565,273.60
54	04/01/2010	\$52,609.00	\$11,993.72	\$64,602.72	\$9,553,279.88
55	05/01/2010	\$52,543.04	\$12,059.68	\$64,602.72	\$9,541,220.20
56	06/01/2010	\$52,476.71	\$12,126.01	\$64,602.72	\$9,529,094.19
57	07/01/2010	\$52,410.02	\$12,192.70	\$64,602.72	\$9,516,901.49
58	08/01/2010	\$52,342.96	\$12,259.76	\$64,602.72	\$9,504,641.73
59	09/01/2010	\$52,275.53	\$12,327.19	\$64,602.72	\$9,492,314.54
60	10/01/2010	\$52,207.73	\$12,394.99	\$64,602.72	\$9,479,919.55
61	11/01/2010	\$52,139.56	\$12,463.16	\$64,602.72	\$9,467,456.39
62	12/01/2010	\$52,071.01	\$12,531.71	\$64,602.72	\$9,454,924.68
Yearly Sub-Totals:		\$629,294.77	\$145,937.87	\$775,232.64	
63	01/01/2011	\$52,002.09	\$12,600.63	\$64,602.72	\$9,442,324.05
64	02/01/2011	\$51,932.78	\$12,669.94	\$64,602.72	\$9,429,654.11
65	03/01/2011	\$51,863.10	\$12,739.62	\$64,602.72	\$9,416,914.49
66	04/01/2011	\$51,793.03	\$12,809.69	\$64,602.72	\$9,404,104.80
67	05/01/2011	\$51,722.58	\$12,880.14	\$64,602.72	\$9,391,224.66
68	06/01/2011	\$51,651.74	\$12,950.98	\$64,602.72	\$9,378,273.68
69	07/01/2011	\$51,580.51	\$13,022.21	\$64,602.72	\$9,365,251.47
70	08/01/2011	\$51,508.88	\$13,093.84	\$64,602.72	\$9,352,157.63
71	09/01/2011	\$51,436.87	\$13,165.85	\$64,602.72	\$9,338,991.78
72	10/01/2011	\$51,364.45	\$13,238.27	\$64,602.72	\$9,325,753.51
73	11/01/2011	\$51,291.64	\$13,311.08	\$64,602.72	\$9,312,442.43
74	12/01/2011	\$51,218.43	\$13,384.29	\$64,602.72	\$9,299,058.14
Yearly Sub-Totals:		\$619,366.10	\$155,866.54	\$775,232.64	
75	01/01/2012	\$51,144.82	\$13,457.90	\$64,602.72	\$9,285,600.24
76	02/01/2012	\$51,070.80	\$13,531.92	\$64,602.72	\$9,272,068.32
77	03/01/2012	\$50,996.38	\$13,606.34	\$64,602.72	\$9,258,461.98
78	04/01/2012	\$50,921.54	\$13,681.18	\$64,602.72	\$9,244,780.80
79	05/01/2012	\$50,846.29	\$13,756.43	\$64,602.72	\$9,231,024.37
80	06/01/2012	\$50,770.63	\$13,832.09	\$64,602.72	\$9,217,192.28
81	07/01/2012	\$50,694.56	\$13,908.16	\$64,602.72	\$9,203,284.12

California Community Reinvestment Corp
Amortization Schedule

Payment Number	Payment Due Date	Interest Amount	Principal Amount	Payment Amount	Principal Balance
83	09/01/2012	\$50,541.15	\$14,061.57	\$64,602.72	\$9,175,237.89
84	10/01/2012	\$50,463.81	\$14,138.91	\$64,602.72	\$9,161,098.98
85	11/01/2012	\$50,386.04	\$14,216.68	\$64,602.72	\$9,146,882.30
86	12/01/2012	\$50,307.85	\$14,294.87	\$64,602.72	\$9,132,587.43
Yearly Sub-Totals:		\$608,761.93	\$166,470.71	\$775,232.64	
87	01/01/2013	\$50,229.23	\$14,373.49	\$64,602.72	\$9,118,213.94
88	02/01/2013	\$50,150.18	\$14,452.54	\$64,602.72	\$9,103,761.40
89	03/01/2013	\$50,070.69	\$14,532.03	\$64,602.72	\$9,089,229.37
90	04/01/2013	\$49,990.76	\$14,611.96	\$64,602.72	\$9,074,617.41
91	05/01/2013	\$49,910.40	\$14,692.32	\$64,602.72	\$9,059,925.09
92	06/01/2013	\$49,829.59	\$14,773.13	\$64,602.72	\$9,045,151.96
93	07/01/2013	\$49,748.34	\$14,854.38	\$64,602.72	\$9,030,297.58
94	08/01/2013	\$49,666.64	\$14,936.08	\$64,602.72	\$9,015,361.50
95	09/01/2013	\$49,584.49	\$15,018.23	\$64,602.72	\$9,000,343.27
96	10/01/2013	\$49,501.89	\$15,100.83	\$64,602.72	\$8,985,242.44
97	11/01/2013	\$49,418.83	\$15,183.89	\$64,602.72	\$8,970,058.55
98	12/01/2013	\$49,335.32	\$15,267.40	\$64,602.72	\$8,954,791.15
Yearly Sub-Totals:		\$597,436.36	\$177,796.28	\$775,232.64	
99	01/01/2014	\$49,251.35	\$15,351.37	\$64,602.72	\$8,939,439.78
100	02/01/2014	\$49,166.92	\$15,435.80	\$64,602.72	\$8,924,003.98
101	03/01/2014	\$49,082.02	\$15,520.70	\$64,602.72	\$8,908,483.28
102	04/01/2014	\$48,996.66	\$15,606.06	\$64,602.72	\$8,892,877.22
103	05/01/2014	\$48,910.82	\$15,691.90	\$64,602.72	\$8,877,185.32
104	06/01/2014	\$48,824.52	\$15,778.20	\$64,602.72	\$8,861,407.12
105	07/01/2014	\$48,737.74	\$15,864.98	\$64,602.72	\$8,845,542.14
106	08/01/2014	\$48,650.48	\$15,952.24	\$64,602.72	\$8,829,589.90
107	09/01/2014	\$48,562.74	\$16,039.98	\$64,602.72	\$8,813,549.92
108	10/01/2014	\$48,474.52	\$16,128.20	\$64,602.72	\$8,797,421.72
109	11/01/2014	\$48,385.82	\$16,216.90	\$64,602.72	\$8,781,204.82
110	12/01/2014	\$48,296.63	\$16,306.09	\$64,602.72	\$8,764,898.73
Yearly Sub-Totals:		\$585,340.22	\$189,892.42	\$775,232.64	
111	01/01/2015	\$48,206.94	\$16,395.78	\$64,602.72	\$8,748,502.95
112	02/01/2015	\$48,116.77	\$16,485.95	\$64,602.72	\$8,732,017.00
113	03/01/2015	\$48,026.09	\$16,576.63	\$64,602.72	\$8,715,440.37
114	04/01/2015	\$47,934.92	\$16,667.80	\$64,602.72	\$8,698,772.57
115	05/01/2015	\$47,843.25	\$16,759.47	\$64,602.72	\$8,682,013.10
116	06/01/2015	\$47,751.07	\$16,851.65	\$64,602.72	\$8,665,161.45
117	07/01/2015	\$47,658.39	\$16,944.33	\$64,602.72	\$8,648,217.12
118	08/01/2015	\$47,565.19	\$17,037.53	\$64,602.72	\$8,631,179.59
119	09/01/2015	\$47,471.49	\$17,131.23	\$64,602.72	\$8,614,048.36
120	10/01/2015	\$47,377.27	\$17,225.45	\$64,602.72	\$8,596,822.91
121	11/01/2015	\$47,282.53	\$17,320.19	\$64,602.72	\$8,579,502.72
122	12/01/2015	\$47,187.26	\$17,415.46	\$64,602.72	\$8,562,087.26
Yearly Sub-Totals:		\$572,421.17	\$202,811.47	\$775,232.64	
123	01/01/2016	\$47,091.48	\$17,511.24	\$64,602.72	\$8,544,576.02
124	02/01/2016	\$46,995.17	\$17,607.55	\$64,602.72	\$8,526,968.47
125	03/01/2016	\$46,898.33	\$17,704.39	\$64,602.72	\$8,509,264.08
126	04/01/2016	\$46,800.95	\$17,801.77	\$64,602.72	\$8,491,462.31

California Community Reinvestment Corp
Amortization Schedule

Payment Number	Payment Due Date	Interest Amount	Principal Amount	Payment Amount	Principal Balance
128	06/01/2016	\$46,604.59	\$17,998.13	\$64,602.72	\$8,455,564.50
129	07/01/2016	\$46,505.60	\$18,097.12	\$64,602.72	\$8,437,467.38
130	08/01/2016	\$46,406.07	\$18,196.65	\$64,602.72	\$8,419,270.73
131	09/01/2016	\$46,305.99	\$18,296.73	\$64,602.72	\$8,400,974.00
132	10/01/2016	\$46,205.36	\$18,397.36	\$64,602.72	\$8,382,576.64
133	11/01/2016	\$46,104.17	\$18,498.55	\$64,602.72	\$8,364,078.09
134	12/01/2016	\$46,002.43	\$18,600.29	\$64,602.72	\$8,345,477.80
Yearly Sub-Totals:		<u>\$558,623.18</u>	<u>\$216,609.46</u>	<u>\$775,232.64</u>	
135	01/01/2017	\$45,900.13	\$18,702.59	\$64,602.72	\$8,326,775.21
136	02/01/2017	\$45,797.26	\$18,805.46	\$64,602.72	\$8,307,969.75
137	03/01/2017	\$45,693.83	\$18,908.89	\$64,602.72	\$8,289,060.86
138	04/01/2017	\$45,589.83	\$19,012.89	\$64,602.72	\$8,270,047.97
139	05/01/2017	\$45,485.26	\$19,117.46	\$64,602.72	\$8,250,930.51
140	06/01/2017	\$45,380.12	\$19,222.60	\$64,602.72	\$8,231,707.91
141	07/01/2017	\$45,274.39	\$19,328.33	\$64,602.72	\$8,212,379.58
142	08/01/2017	\$45,168.09	\$19,434.63	\$64,602.72	\$8,192,944.95
143	09/01/2017	\$45,061.20	\$19,541.52	\$64,602.72	\$8,173,403.43
144	10/01/2017	\$44,953.72	\$19,649.00	\$64,602.72	\$8,153,754.43
145	11/01/2017	\$44,845.65	\$19,757.07	\$64,602.72	\$8,133,997.36
146	12/01/2017	\$44,736.99	\$19,865.73	\$64,602.72	\$8,114,131.63
Yearly Sub-Totals:		<u>\$543,886.47</u>	<u>\$231,346.17</u>	<u>\$775,232.64</u>	
147	01/01/2018	\$44,627.72	\$19,975.00	\$64,602.72	\$8,094,156.63
148	02/01/2018	\$44,517.86	\$20,084.86	\$64,602.72	\$8,074,071.77
149	03/01/2018	\$44,407.39	\$20,195.33	\$64,602.72	\$8,053,876.44
150	04/01/2018	\$44,296.32	\$20,306.40	\$64,602.72	\$8,033,570.04
151	05/01/2018	\$44,184.64	\$20,418.08	\$64,602.72	\$8,013,151.96
152	06/01/2018	\$44,072.34	\$20,530.38	\$64,602.72	\$7,992,621.58
153	07/01/2018	\$43,959.42	\$20,643.30	\$64,602.72	\$7,971,978.28
154	08/01/2018	\$43,845.88	\$20,756.84	\$64,602.72	\$7,951,221.44
155	09/01/2018	\$43,731.72	\$20,871.00	\$64,602.72	\$7,930,350.44
156	10/01/2018	\$43,616.93	\$20,985.79	\$64,602.72	\$7,909,364.65
157	11/01/2018	\$43,501.51	\$21,101.21	\$64,602.72	\$7,888,263.44
158	12/01/2018	\$43,385.45	\$21,217.27	\$64,602.72	\$7,867,046.17
Yearly Sub-Totals:		<u>\$528,147.18</u>	<u>\$247,085.46</u>	<u>\$775,232.64</u>	
159	01/01/2019	\$43,268.75	\$21,333.97	\$64,602.72	\$7,845,712.20
160	02/01/2019	\$43,151.42	\$21,451.30	\$64,602.72	\$7,824,260.90
161	03/01/2019	\$43,033.43	\$21,569.29	\$64,602.72	\$7,802,691.61
162	04/01/2019	\$42,914.80	\$21,687.92	\$64,602.72	\$7,781,003.69
163	05/01/2019	\$42,795.52	\$21,807.20	\$64,602.72	\$7,759,196.49
164	06/01/2019	\$42,675.58	\$21,927.14	\$64,602.72	\$7,737,269.35
165	07/01/2019	\$42,554.98	\$22,047.74	\$64,602.72	\$7,715,221.61
166	08/01/2019	\$42,433.72	\$22,169.00	\$64,602.72	\$7,693,052.61
167	09/01/2019	\$42,311.79	\$22,290.93	\$64,602.72	\$7,670,761.68
168	10/01/2019	\$42,189.19	\$22,413.53	\$64,602.72	\$7,648,348.15
169	11/01/2019	\$42,065.91	\$22,536.81	\$64,602.72	\$7,625,811.34
170	12/01/2019	\$41,941.96	\$22,660.76	\$64,602.72	\$7,603,150.58
Yearly Sub-Totals:		<u>\$511,337.05</u>	<u>\$263,895.59</u>	<u>\$775,232.64</u>	
171	01/01/2020	\$41,817.33	\$22,785.39	\$64,602.72	\$7,580,365.19

California Community Reinvestment Corp
Amortization Schedule

Payment Number	Payment Due Date	Interest Amount	Principal Amount	Payment Amount	Principal Balance
173	03/01/2020	\$41,566.00	\$23,036.72	\$64,602.72	\$7,534,417.76
174	04/01/2020	\$41,439.30	\$23,163.42	\$64,602.72	\$7,511,254.34
175	05/01/2020	\$41,311.90	\$23,290.82	\$64,602.72	\$7,487,963.52
176	06/01/2020	\$41,183.80	\$23,418.92	\$64,602.72	\$7,464,544.60
177	07/01/2020	\$41,055.00	\$23,547.72	\$64,602.72	\$7,440,996.88
178	08/01/2020	\$40,925.48	\$23,677.24	\$64,602.72	\$7,417,319.64
179	09/01/2020	\$40,795.26	\$23,807.46	\$64,602.72	\$7,393,512.18
180	10/01/2020	\$40,664.32	\$23,938.40	\$64,602.72	\$7,369,573.78
181	11/01/2020	\$40,532.66	\$24,070.06	\$64,602.72	\$7,345,503.72
182	12/01/2020	\$40,400.27	\$24,202.45	\$64,602.72	\$7,321,301.27
Yearly Sub-Totals:		<u>\$493,383.33</u>	<u>\$281,849.31</u>	<u>\$775,232.64</u>	
183	01/01/2021	\$40,267.16	\$24,335.56	\$64,602.72	\$7,296,965.71
184	02/01/2021	\$40,133.31	\$24,469.41	\$64,602.72	\$7,272,496.30
185	03/01/2021	\$39,998.73	\$24,603.99	\$64,602.72	\$7,247,892.31
186	04/01/2021	\$39,863.41	\$24,739.31	\$64,602.72	\$7,223,153.00
187	05/01/2021	\$39,727.34	\$24,875.38	\$64,602.72	\$7,198,277.62
188	06/01/2021	\$39,590.53	\$25,012.19	\$64,602.72	\$7,173,265.43
189	07/01/2021	\$39,452.96	\$25,149.76	\$64,602.72	\$7,148,115.67
190	08/01/2021	\$39,314.64	\$25,288.08	\$64,602.72	\$7,122,827.59
191	09/01/2021	\$39,175.55	\$25,427.17	\$64,602.72	\$7,097,400.42
192	10/01/2021	\$39,035.70	\$25,567.02	\$64,602.72	\$7,071,833.40
193	11/01/2021	\$38,895.08	\$25,707.64	\$64,602.72	\$7,046,125.76
194	12/01/2021	\$38,753.69	\$25,849.03	\$64,602.72	\$7,020,276.73
Yearly Sub-Totals:		<u>\$474,208.10</u>	<u>\$301,024.54</u>	<u>\$775,232.64</u>	
195	01/01/2022	\$38,611.52	\$25,991.20	\$64,602.72	\$6,994,285.53
196	02/01/2022	\$38,468.57	\$26,134.15	\$64,602.72	\$6,968,151.38
197	03/01/2022	\$38,324.83	\$26,277.89	\$64,602.72	\$6,941,873.49
198	04/01/2022	\$38,180.30	\$26,422.42	\$64,602.72	\$6,915,451.07
199	05/01/2022	\$38,034.98	\$26,567.74	\$64,602.72	\$6,888,883.33
200	06/01/2022	\$37,888.86	\$26,713.86	\$64,602.72	\$6,862,169.47
201	07/01/2022	\$37,741.93	\$26,860.79	\$64,602.72	\$6,835,308.68
202	08/01/2022	\$37,594.20	\$27,008.52	\$64,602.72	\$6,808,300.16
203	09/01/2022	\$37,445.65	\$27,157.07	\$64,602.72	\$6,781,143.09
204	10/01/2022	\$37,296.29	\$27,306.43	\$64,602.72	\$6,753,836.66
205	11/01/2022	\$37,146.10	\$27,456.62	\$64,602.72	\$6,726,380.04
206	12/01/2022	\$36,995.09	\$27,607.63	\$64,602.72	\$6,698,772.41
Yearly Sub-Totals:		<u>\$453,728.32</u>	<u>\$321,504.32</u>	<u>\$775,232.64</u>	
207	01/01/2023	\$36,843.25	\$27,759.47	\$64,602.72	\$6,671,012.94
208	02/01/2023	\$36,690.57	\$27,912.15	\$64,602.72	\$6,643,100.79
209	03/01/2023	\$36,537.05	\$28,065.67	\$64,602.72	\$6,615,035.12
210	04/01/2023	\$36,382.69	\$28,220.03	\$64,602.72	\$6,586,815.09
211	05/01/2023	\$36,227.48	\$28,375.24	\$64,602.72	\$6,558,439.85
212	06/01/2023	\$36,071.42	\$28,531.30	\$64,602.72	\$6,529,908.55
213	07/01/2023	\$35,914.50	\$28,688.22	\$64,602.72	\$6,501,220.33
214	08/01/2023	\$35,756.71	\$28,846.01	\$64,602.72	\$6,472,374.32
215	09/01/2023	\$35,598.06	\$29,004.66	\$64,602.72	\$6,443,369.66

October 13, 2005

California Community Reinvestment Corp
Amortization Schedule

Payment Number	Payment Due Date	Interest Amount	Principal Amount	Payment Amount	Principal Balance
216	10/01/2023	\$35,438.53	\$6,443,369.66	\$6,478,808.19	\$0.00
Yearly Sub-Totals:		<u>\$361,460.26</u>	<u>\$6,698,772.41</u>	<u>\$7,060,232.67</u>	
Totals:		<u>\$10,253,019.99</u>	<u>\$10,115,373.00</u>	<u>\$20,368,392.99</u>	

***** Last Payment Amount : 6,478,808.19 *****

PROMISSORY NOTE

\$1,000,000

Martinez, California
June 1, 2003

FOR VALUE RECEIVED, the undersigned, DEANZA GARDENS, L.P., a California Limited Partnership ("Borrower"), promises to pay to the order of DEANZA HOUSING CORPORATION, a California nonprofit public benefit corporation ("Lender") at its office at 3133 Estudillo Street, Martinez, California 94553, or at such other place or places as the holder of this Promissory Note (the "Note") may from time to time designate, in lawful money of the United States, the principal sum of One Million Dollars (\$1,000,000), plus interest on the principal sum pursuant to Section 2 below.

1. Borrower's Obligation. This Note evidences the Borrower's obligation to pay the Lender the principal amount of One Million Dollars (\$1,000,000) for the funds loaned to the Borrower by Lender to finance the development of the DeAnza Gardens site (the "Property") pursuant to the loan agreement between the Borrower and the Lender of even date with this Note (the "Loan Agreement"). All capitalized terms not otherwise defined in this Note shall have the meanings set forth in the Loan Agreement.

2. Interest. The principal balance of this Note shall bear interest at a rate of 6.8% per annum; provided, however, if a Default occurs, interest on the principal balance shall begin to accrue, as of the date of Default and continuing until such time as the Loan funds are repaid in full or the Default is cured, at the default rate of the lesser of ten percent (10%), compounded annually, or the highest rate permitted by law.

3. Term and Repayment Requirements. The term of this Note (the "Term"), shall commence with the date of this Note and shall expire forty (40) years from the date of this Note. This Note shall be due and payable as set forth in Section 2.6 of the Loan Agreement. This Borrower shall have the right to prepay all, or any portion, of the Loan at any time without premium or penalty.

4. No Assumption. This Note shall not be assumable by the successors and assigns of Borrower without the prior written consent of the Lender, except as provided in Section 3.13 of the Loan Agreement.

5. Security. This Note is secured by a Deed of Trust, Assignment of Rents and Security Agreement (the "Deed of Trust"), of even date with this Note, wherein the Borrower is the Trustor and the Lender is the Beneficiary, covering Borrower's interest in the Property.

6. Terms of Payment.

(a) All payments due under this Note shall be paid in currency of the United States of America, which at the time of payment is lawful for the payment of public and private debts.

(b) All payments on this Note shall be paid to the holder of this Note at 3133 Estudillo Street, Martinez, CA 94553, Attention: Executive Director, or to such other place as the Lender may from time to time designate.

(c) All payments on this Note shall be without expense to the Lender, and the Borrower agrees to pay all costs and expenses, including re-conveyance fees and reasonable attorney's fees of the Lender, incurred in connection with the payment of this Note and the release of any security with respect to this Note.

(d) Notwithstanding any other provision of this Note, or any instrument securing the obligations of the Borrower under this Note, if, for any reason whatsoever, the payment of any sums by the Borrower pursuant to the terms of this Note would result in the payment of interest which would exceed the amount that the Lender may legally charge under the laws of the State of California, then the amount by which payments exceeds the lawful interest rate shall automatically be deducted from the principal balance owing on this Note, so that in no event shall the Borrower be obligated under the terms of this Note to pay any interest which would exceed the lawful rate.

(e) This Note shall be nonrecourse to the Borrower, pursuant to, and except as provided in, Section 2.8 of the Loan Agreement.

7. Default.

(a) Subject to all notice and cure rights set forth in the Loan Agreement, any of the following shall constitute an event of default under this Note, except so long as the Lender serves as the general partner of the Borrower:

(i) Any failure to pay, in full, any payment required under this Note within ten (10) days of written notice that such payment is due;

(ii) Any failure in the performance by the Borrower of any term, condition, provision or covenant set forth in this Note subject to the notice and cure period set forth in the Loan Agreement;

(iii) The occurrence of any event of default under the Loan Agreement, the Deed of Trust, the Regulatory Agreement, or other instrument securing the obligations of the Borrower under this Note or under any other promissory notes issued after the date of this Note by the Borrower to the Lender pursuant to the Loan Agreement or the Deed of Trust, subject to notice and cure periods, if any, set forth in the Loan Agreement or the Deed of Trust.

(b) Upon the occurrence of such an event of default, the entire unpaid principal balance, together with all interest on the principal balance, and together with all other sums then payable under this Note and the Deed of Trust shall, at the option of the Lender, become immediately due and payable upon written notice by the Lender to the Borrower without further demand.

(c) The failure to exercise the remedy set forth in Subsection 7(b) above or any other remedy provided by law upon the occurrence of one or more of the foregoing events of default shall not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other default. The acceptance by the Lender of any payment which is less than the total of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the foregoing remedies or options at that time or at any subsequent time, or nullify any prior exercise of any such remedy or option, without the express consent of the Lender, except as and to the extent otherwise provided by law.

8. Waivers.

(a) The Borrower waives diligence, presentment, protest and demand, and notice of protest, notice of demand, and notice of dishonor of this Note. The Borrower expressly agrees that this Note or any payment under the Note may be extended from time to time, and that the Lender may accept further security or release any security for this Note, all without in any way affecting the liability of the Borrower.

(b) No extension of time for payment of this Note or any installment of this Note made by agreement by the Lender with any person now or hereafter liable for payment of this Note shall operate to release, discharge, modify, change or affect the original liability of the Borrower under this Note, either in whole or in part.

(c) The obligations of the Borrower under this Note shall be absolute and the Borrower waives any and all rights to offset, deduct or withhold any payments or charges due under this Note for any reason whatsoever.

9. Miscellaneous Provisions.

(a) All notices to the Lender or the Borrower shall be given in the manner and at the addresses set forth in the Loan Agreement, or to such addresses as the Lender and the Borrower may designate as set forth in the Loan Agreement. Copies of notices to the Borrower from the Lender shall also be provided by the Lender to any limited partner of the Borrower who requests such notice in writing and provides the Lender with written notice of its address.

(b) The Borrower promises to pay all costs and expenses, including reasonable attorney's fees, incurred by the Lender in the enforcement of the provision of this Note, regardless of whether suit is filed to seek enforcement.

(c) This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

(d) This Note shall be governed by and construed in accordance with the laws of the State of California.

(e) The times for the performance of any obligations under this Note shall be strictly construed, time being of the essence.

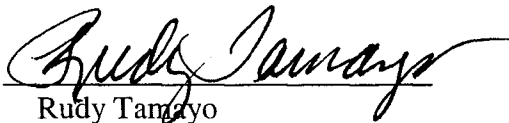
(f) This document, together with the Deed of Trust, the Regulatory Agreement and the Loan Agreement, contains the entire agreement between the parties as to the Loan. It may not be modified except upon written consent of the parties.

IN WITNESS WHEREOF, the Borrower has caused this Note to be executed and delivered on the date set forth above.

BORROWER:

DEANZA GARDENS, L.P., a California limited partnership

By: DeANZA HOUSING CORPORATION, a California public benefit corporation, its general partner

By: 
Rudy Tamayo
Executive Director

**HOUSING AUTHORITY LOAN
PROMISSORY NOTE
(DeAnza Gardens, L.P.)**

\$1,000,000

Martinez, California
June 1, 2003

FOR VALUE RECEIVED, the undersigned, DEANZA GARDENS, L.P., a California Limited Partnership ("Borrower"), promises to pay to the order of the HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA, a public body, corporate and politic ("Lender") at its office at 3133 Estudillo Street, Martinez, California 94553, or at such other place or places as the holder of this Promissory Note (the "Note") may from time to time designate, in lawful money of the United States, the principal sum of One Million Dollars (\$1,000,000), plus interest on the principal sum pursuant to Section 2 below.

1. Borrower's Obligation. This Note evidences the Borrower's obligation to pay the Lender the principal amount of One Million Dollars (\$1,000,000) for the funds loaned to the Borrower by Lender to finance the development of the DeAnza Gardens site (the "Property") pursuant to the DeAnza Gardens Housing Authority Loan Agreement between the Borrower and the Lender of even date with this Note (the "Loan Agreement"). All capitalized terms not otherwise defined in this Note shall have the meanings set forth in the Loan Agreement.

2. Interest. The principal balance of this Note shall bear interest at a rate of three percent (3%) per annum; provided, however, if a Default occurs, interest on the principal balance shall begin to accrue, as of the date of Default and continuing until such time as the Loan funds are repaid in full or the Default is cured, at the default rate of the lesser of ten percent (10%), compounded annually, or the highest rate permitted by law.

3. Term and Repayment Requirements. The term of this Note (the "Term"), shall commence with the date of this Note and shall expire forty (40) years from the date of this Note. This Note shall be due and payable as set forth in Section 2.6 of the Loan Agreement. This Borrower shall have the right to prepay all, or any portion, of the Loan at any time without premium or penalty.

4. No Assumption. This Note shall not be assumable by the successors and assigns of Borrower without the prior written consent of the Lender, except as provided in Section 3.13 of the Loan Agreement.

5. Security. This Note is secured by a Deed of Trust, Assignment of Rents and Security Agreement (the "Deed of Trust"), of even date with this Note, wherein the Borrower is the Trustor and the Lender is the Beneficiary, covering the Property.

6. Terms of Payment.

(a) All payments due under this Note shall be paid in currency of the United States of America, which at the time of payment is lawful for the payment of public and private debts.

(b) All payments on this Note shall be paid to the holder of this Note at the Housing Authority of the County of Contra Costa, 3133 Estudillo Street, Martinez, CA 94553, Attention: Executive Director, or to such other place as the Lender may from time to time designate.

(c) All payments on this Note shall be without expense to the Lender, and the Borrower agrees to pay all costs and expenses, including re-conveyance fees and reasonable attorney's fees of the Lender, incurred in connection with the payment of this Note and the release of any security with respect to this Note.

(d) Notwithstanding any other provision of this Note, or any instrument securing the obligations of the Borrower under this Note, if, for any reason whatsoever, the payment of any sums by the Borrower pursuant to the terms of this Note would result in the payment of interest which would exceed the amount that the Lender may legally charge under the laws of the State of California, then the amount by which payments exceeds the lawful interest rate shall automatically be deducted from the principal balance owing on this Note, so that in no event shall the Borrower be obligated under the terms of this Note to pay any interest which would exceed the lawful rate.

(e) This Note shall be nonrecourse to the Borrower, pursuant to, and except as provided in, Section 2.8 of the Loan Agreement.

7. Default.

(a) Subject to all notice and cure rights set forth in the Loan Agreement, any of the following shall constitute an event of default under this Note, except so long as the Lender, or its affiliate, serves as the general partner of the Borrower:

(i) Any failure to pay, in full, any payment required under this Note within ten (10) days of written notice that such payment is due;

(ii) Any failure in the performance by the Borrower of any term, condition, provision or covenant set forth in this Note subject to the notice and cure period set forth in the Loan Agreement;

(iii) The occurrence of any event of default under the Loan Agreement, the Deed of Trust, the Regulatory Agreement, or other instrument securing the obligations of the Borrower under this Note or under any other promissory notes issued after the date of this Note by the Borrower to the Lender pursuant to the Loan Agreement or the Deed of Trust, subject to notice and cure periods, if any, set forth in the Loan Agreement or the Deed of Trust.

(b) Upon the occurrence of such an event of default, the entire unpaid principal balance, together with all interest on the principal balance, and together with all other sums then payable under this Note and the Deed of Trust shall, at the option of the Lender, become immediately due and payable upon written notice by the Lender to the Borrower without further demand.

(c) The failure to exercise the remedy set forth in Subsection 7(b) above or any other remedy provided by law upon the occurrence of one or more of the foregoing events of default shall not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other default. The acceptance by the Lender of any payment which is less than the total of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the foregoing remedies or options at that time or at any subsequent time, or nullify any prior exercise of any such remedy or option, without the express consent of the Lender, except as and to the extent otherwise provided by law.

8. Waivers.

(a) The Borrower waives diligence, presentment, protest and demand, and notice of protest, notice of demand, and notice of dishonor of this Note. The Borrower expressly agrees that this Note or any payment under the Note may be extended from time to time, and that the Lender may accept further security or release any security for this Note, all without in any way affecting the liability of the Borrower.

(b) No extension of time for payment of this Note or any installment of this Note made by agreement by the Lender with any person now or hereafter liable for payment of this Note shall operate to release, discharge, modify, change or affect the original liability of the Borrower under this Note, either in whole or in part.

(c) The obligations of the Borrower under this Note shall be absolute and the Borrower waives any and all rights to offset, deduct or withhold any payments or charges due under this Note for any reason whatsoever.

9. Miscellaneous Provisions.

(a) All notices to the Lender or the Borrower shall be given in the manner and at the addresses set forth in the Loan Agreement, or to such addresses as the Lender and the Borrower may designate as set forth in the Loan Agreement. Copies of notices to the Borrower from the Lender shall also be provided by the Lender to the Investor, and any other limited partner of the Borrower who requests such notice in writing and provides the Lender with written notice of its address.

(b) The Borrower promises to pay all costs and expenses, including reasonable attorney's fees, incurred by the Lender in the enforcement of the provision of this Note, regardless of whether suit is filed to seek enforcement.

(c) This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

(d) This Note shall be governed by and construed in accordance with the laws of the State of California.

(e) The times for the performance of any obligations under this Note shall be strictly construed, time being of the essence.

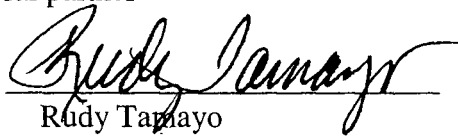
(f) This document, together with the Deed of Trust, the Regulatory Agreement and the Loan Agreement, contains the entire agreement between the parties as to the Loan. It may not be modified except upon written consent of the parties.

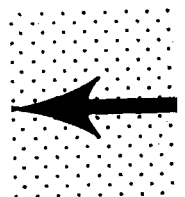
IN WITNESS WHEREOF, the Borrower has caused this Note to be executed and delivered on the date set forth above.

BORROWER:

DEANZA GARDENS, L.P., a California limited partnership

By: DeANZA HOUSING CORPORATION, a California public benefit corporation, its general partner

By: 
Rudy Tamayo
Executive Director



**Recording Requested By
Chicago Title Company
Return To:**

**Housing Authority of
County of Contra Costa
3133 Estudillo Street
Martinez, Ca. 94553**

Attn: Executive Director

Esc No. 134209



**CONTRA COSTA Co Recorder Office
STEPHEN L. WEIR, Clerk-Recorder
DOC- 2003-0493188-00**

Acct 2- Chicago Title
Thursday, OCT 02, 2003 08:00:00
MIC \$1.00 MOD \$13.00 REC \$17.00
TCF \$12.00

Ttl Pd \$43.00

Nbr-0001783120

ima/R2/1-13

B

Space Above This Line for Recorder's Use

Document Title(s)

**REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE
COVENANTS**

Note: This Document is being re-recorded to correct a typographical error in the legal description attached as Exhibit "A".

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

DeAnza Housing Corporation
3133 Estudillo Street
Martinez, CA 94533
Attn: Executive Director

CONTRA COSTA Co Recorder Office
STEPHEN L. WEIR, Clerk-Recorder
DOC- 2003-0310246-00

Check Number
Monday, JUN 30, 2003 12:46:00
MIC \$1.00 MOD \$11.00 REC \$15.00
TCF \$10.00

Ttl Pd \$37.00

Nbr-0001581177
mom/R3/1-11

REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS

This Regulatory Agreement and Declaration of Restrictive Covenants (the "Agreement") is made and entered into as of this 1st day of June, 2003 by and between DeAnza Housing Corporation, a California nonprofit public benefit corporation (the "Lender"), and DeAnza Gardens, L.P., a California limited partnership (the "Owner").

RECITALS

1. The Lender and the Owner have entered into a Loan Agreement (the "Loan Agreement") under which the Lender provided a loan (the "Loan") to the Owner for use, together with funds obtained from other sources, for the development of approximately one hundred eighty (180) multi-family rental units (the "Development") on the property located in the County of Contra Costa, California more particularly described in the attached Exhibit A (the "Property"). Capitalized terms used but not defined in this Agreement shall have the meanings set forth in the Loan Agreement.
2. In consideration of the Loan at an interest rate substantially below the market rate, the Owner has further agreed to observe all the terms and conditions set forth below.
3. The Owner and the Lender acknowledge and agree that the Development would not be feasible without the Loan; that the Lender is making the Loan in order to increase the supply of housing affordable to very low income and low income households; and that prepayment of the Loan shall not terminate the Borrower's obligation to operate the Development in accordance with this Agreement for the entire term of this Agreement.
4. In order to ensure that the entire Development will be used and operated in accordance with these conditions and restrictions, the Lender and the Owner wish to enter into this Agreement.

THEREFORE, the Lender and the Owner hereby agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.1 Definitions. When used in this Agreement, the following terms shall have the respective meanings assigned to them in this Article 1.

(a) "Adjusted Income" shall mean the total anticipated annual income of all persons in a household, as calculated in accordance with 25 California Code of Regulations Section 6914 or pursuant to a successor State housing program that utilizes a reasonably similar method of calculation of adjusted income. In the event that no such program exists, the Lender shall provide the Owner with a reasonably similar method of calculation of adjusted income as provided in said Section 6914.

(b) "Agreement" shall mean this Regulatory Agreement and Declaration of Restrictive Covenants.

(c) "Deed of Trust" shall mean the deed of trust in favor of the Lender recorded against the Owner's leasehold interest in the Property which secures repayment of the Loan and performance of the Loan Agreement and this Agreement.

(d) "Development" shall mean the Owner's leasehold interest in the Property and the one hundred eighty (180) residential units to be developed on the Property, as well as all landscaping, roads and parking spaces existing thereon, as the same may from time to time exist.

(e) "Exceedingly Low-Income Household" shall mean a household with an Adjusted Income that does not exceed the lesser of (1) forty percent (40%) of Median Income, adjusted for actual household size, or (2) the qualifying limits for households at forty percent (40%) of Median Income, adjusted for household size, as established and amended from time to time pursuant to regulations of the California Tax Credit Allocation Committee.

(f) "Extremely Low-Income Household" shall mean a household with an Adjusted Income that does not exceed the lesser of (1) thirty percent (30%) of Median Income, adjusted for actual household size, or (2) the qualifying limits for extremely low-income households, adjusted for household size, as established and amended from time to time by the Secretary of Housing and Urban Development and defined in Section 5.603(b) of Title 24 of the Code of Federal regulations, and as published by the State of California Department of Housing and Community Development.

(g) "Lender" shall mean DeAnza Housing Corporation, a California nonprofit public benefit corporation.

(h) "Loan" shall mean all funds loaned to the Owner pursuant to the Loan Agreement.

- (i) "Loan Agreement" shall mean the Loan Agreement, by and between the Lender and the Owner of even date.
- (j) "Low-Income Household" shall mean a household with an Adjusted Income that does not exceed the lesser of (1) sixty percent (60%) of Median Income, adjusted for actual household size, or (2) the qualifying limits for households at sixty percent (60%) of Median Income, adjusted for household size, as established and amended from time to time pursuant to Section 42 of the United States Internal Revenue Code of 1986, as amended.
- (k) "Median Income" shall mean the median gross yearly income, adjusted for household size, in the County of Contra Costa, California, as published from time to time by the State of California. In the event that such income determinations are no longer published, or are not updated for a period of at least eighteen (18) months, the Lender shall provide the Owner with other income determinations which are reasonably similar with respect to methods of calculation to those previously published by the State.
- (l) "Note" shall mean the promissory note from the Owner to the Lender evidencing all or any part of the Loan.
- (m) "Owner" shall mean DeAnza Gardens, L.P., a California limited partnership, and its successors and assigns to the Development.
- (n) "Property" shall mean the parcel of real property located in the County of Contra Costa, California, as more particularly described in Exhibit A.
- (o) "Qualifying Household" shall mean a Low-Income Household, a Very Low Income Household, an Exceedingly Low-Income Household or an Extremely Low-Income Household.
- (p) "Qualifying Units" shall mean the Units which, pursuant to Section 2.1 below, are required to be and are occupied by Qualifying Households.
- (q) "Rent" shall mean the total of monthly payments by the Tenant of a Unit for the following: (1) use and occupancy of the Unit and land and associated facilities, including parking; (2) any separately charged fees or service charges assessed by the Owner which are required of all Tenants, other than security deposits; (3) the cost of an adequate level of service for utilities paid by the Tenant, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuel, but not telephone service, cable television service or any other utility or service permitted to be excluded from the calculation of Rent pursuant to the terms of 25 California Code of Regulations Section 6918; and (4) any other interest, taxes, fees or charges for use of the land or associated facilities and assessed by a public or private entity other than the Owner, and paid by the Tenant.
- (r) "Tenant" shall mean a household occupying a Unit.

(s) "Term" shall mean the term of this Agreement, which shall commence on the date of this Agreement and shall continue until the seventy-fifth (75th) anniversary of the date of this Agreement.

(t) "Unit" shall mean one of the one hundred eighty (180) units to be constructed on the Property.

(u) "Very Low Income Household" shall mean a household with an Adjusted Income that does not exceed the lesser of (1) fifty percent (50%) of Median Income, adjusted for actual household size, or (2) the qualifying limits for very low income households, adjusted for household size, as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937, and as published by the State of California Department of Housing and Community Development.

ARTICLE 2 AFFORDABILITY AND OCCUPANCY COVENANTS

Section 2.1 Occupancy Requirement. All one hundred eighty (180) Units, excluding any manager's unit(s), shall be rented to and occupied by or, if vacant, available for occupancy by Qualifying Households, in accordance with the number of Units and the mix of Unit sizes as set forth in Exhibit B attached to and incorporated in this Agreement.

Section 2.2 Allowable Rent. Subject to the provisions of Section 2.3 below, the Rent charged to Tenants of the Qualifying Units shall not exceed one-twelfth (1/12) of thirty percent (30%) of the maximum qualifying income for each category of Qualifying Household (i.e., Low-Income, Very Low-Income, Exceedingly Low-Income or Extremely Low-Income), adjusted for household size. To the extent that Section 42 of the Internal Revenue Code, and its implementing regulations, all as amended from time to time, prohibit the rent charged to the Qualifying Households set forth in this Agreement and require a higher rent to be charged, Owner's compliance with the requirements of Section 42 of the Internal Revenue Code shall be deemed compliance with this Section 2.2.

Section 2.3 Increase Income of Tenants. If upon recertification of a Tenant's income, the Owner determines that a Qualifying Household no longer qualifies as a Qualified Household, the formerly Qualifying Household may be charged rent in the amount of thirty percent (30%) of the Tenant's actual gross income.

Section 2.4 Other Rules. If the Development is subject to state or federal rules governing funding sources, including, but not limited to, low-income housing tax credits (the "Other Rules"), the provisions of the Other Rules regarding assumed household size, shall apply in place of the provisions set forth in the applicable sections of this Agreement. Upon such time as the requirements of the Other Rules no longer apply to the Development, the terms and conditions of this Agreement shall govern the occupancy of this Development.

Section 2.5 Nondiscrimination. Owner shall not discriminate or segregate in the development, construction, use, enjoyment, occupancy, conveyance, lease, sublease, or rental of

any part of the Property on the basis of race, color, ancestry, national origin, religion, sex, sexual preference or orientation, age, marital status, family status, source of income, physical or mental disability, Acquired Immune Deficiency Syndrome (AIDS) or AIDS-related conditions (ARC) acquired or perceived, or any other arbitrary basis. Borrower shall otherwise comply with all applicable local, state, and federal laws concerning discrimination in housing.

ARTICLE 3 MANAGEMENT OF THE DEVELOPMENT

Section 3.1 Maintenance. The Owner hereby agrees that, prior to completion of the Development, the portions of the Property undergoing construction shall be maintained in a neat and orderly condition to the extent practicable and in accordance with industry health and safety standards, and that, once the Development is completed, the Development shall be well maintained by the Owner as to both external and internal appearance of the units, the common areas, and the open spaces. The Owner shall maintain the Development in good repair and working order, and in a neat, clean and orderly condition, including the walkways, driveways, alleyways and landscaping, and from time to time make all necessary and proper repairs, renewals, and replacements.

Section 3.2 Management Agent. The Development shall at all times be managed by an experienced property management agent reasonably acceptable to the Lender, with demonstrated ability to operate residential facilities like the Development in a manner that will provide decent, safe, and sanitary housing.

ARTICLE 4 MISCELLANEOUS

Section 4.1 Term. The provisions of this Agreement shall apply to the Property for the entire Term even if the entire Loan is paid in full prior to the end of the Term. This Agreement shall bind any successor, heir or assign of the Owner, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by the Lender. The Lender makes the Loan on the condition, and in consideration of, this provision, and would not do so otherwise.

Section 4.2 Covenants to Run With the Land. The Lender and the Owner hereby declare their express intent that the covenants and restrictions set forth in this Agreement shall run with the land, and shall bind all successors in title to the Property, provided, however, that on the expiration of the Term of this Agreement said covenants and restrictions shall expire.

Section 4.3 Enforcement by the Lender. If the Owner fails to perform any obligation under this Agreement, and fails to cure the default within thirty (30) days after the Lender has notified the Owner in writing of the default or, if the default cannot be cured within thirty (30) days, failed to commence to cure within thirty (30) days and thereafter diligently pursue such cure, the Lender shall have the right to enforce this Agreement by any or all of the remedies provided in the Loan Agreement.

Section 4.4 Attorneys Fees and Costs. In any action brought to enforce this Agreement, the prevailing party shall be entitled to all costs and expenses of suit, including attorneys' fees. This section shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.

Section 4.5 Recording and Filing. The Lender and the Owner shall cause this Agreement, and all amendments and supplements to it, to be recorded in the Official Records of the County of Contra Costa.

Section 4.6 Governing Law. This Agreement shall be governed by the laws of the State of California.

Section 4.7 Waiver of Requirements. Any of the requirements of this Agreement may be expressly waived by the Lender in writing, but no waiver by the Lender of any requirement of this Agreement shall, or shall be deemed to, extend to or affect any other provision of this Agreement.

Section 4.8 Amendments. This Agreement may be amended only by a written instrument executed by all the parties hereto or their successors in title, and duly recorded in the real property records of the County of Contra Costa.

Section 4.9 Notices. Formal notices, demands, and communications between the Parties shall be sufficiently given if and shall not be deemed given unless dispatched by certified mail, postage prepaid, return receipt requested, or delivered by reputable delivery service, with a delivery receipt, or delivered personally, with a delivery receipt to the principal office of the Parties as follows:

Owner: DeAnza Gardens, L.P.
c/o DeAnza Housing Corporation
3133 Estudillo Street
Martinez, CA 94553
Attention: Executive Director

Lender: DeAnza Housing Corporation
3133 Estudillo Street
Martinez, CA 94553
Attention: Executive Director

With a copy to:

BCP/DeAnza Gardens, LLC
One Boston Place
Boston, MA 02108-4406
Attn: Asset Management

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 as provided in this Section. Receipt shall be deemed to have occurred on the date shown on a written receipt as the date of delivery or refusal of delivery (or attempted delivery if undeliverable). Copies of any notice, sent to Borrower shall also be sent to any limited partner of Borrower who requests such notice in writing and provides its address.

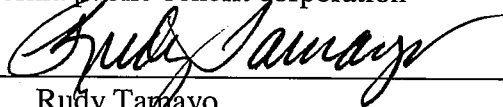
Section 4.10 Capitalized Terms. All capitalized terms not defined herein shall have the meaning set forth in the Loan Agreement.

Section 4.11 Severability. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions of this Agreement shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the Lender and the Owner have executed this Agreement by duly authorized representatives, all on the date first written above.

The Lender:

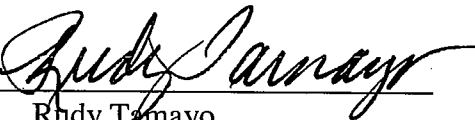
DeANZA HOUSING CORPORATION, a
California public benefit corporation

By: 
Rudy Tamayo
Executive Director

The Owner:

DEANZA GARDENS, L.P., a California limited
partnership

By: DeANZA HOUSING CORPORATION, a
California public benefit corporation, its
managing general partner

By: 
Rudy Tamayo
Executive Director

All signatures must be notarized

Exhibit A

493188

LEGAL DESCRIPTION OF THE PROPERTY

ALL THAT REAL PROPERTY SITUATED IN THE UNINCORPORATED AREA OF THE COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PORTION OF LOTS 4 AND 5 IN THE NORTHWEST ¼ OF SECTION 14, TOWNSHIP 2 NORTH, RANGE 1 WEST, MOUNT DIABLO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF THE 100 FOOT STRIP OF LAND DESCRIBED IN THE DEED FROM ERNEST H. WARD, ET UX, TO EAST BAY MUNICIPAL UTILITY DISTRICT, DATED AUGUST 17, 1926 AND RECORDED AUGUST 24, 1926 IN BOOK 53 OF OFFICIAL RECORDS, AT PAGE 41, WITH THE EAST LINE OF THE ¾ OF AN ACRE PARCEL OF LAND DESCRIBED IN THE DEED FROM EDWARD G. SELLERS, ET UX, TO C.J.

PRAMBERG, DATED AUGUST 7, 1894 AND RECORDED APRIL 29, 1896 IN BOOK 73 OF DEEDS, AT PAGE 32; THENCE FROM SAID POINT OF BEGINNING SOUTH 73° 08' 30" EAST ALONG SAID SOUTH LINE, 1332.87 FEET TO THE EAST LINE OF THE 41.67 ACRE TRACT DESCRIBED IN THE DEED FROM S.A. SELLERS, ET UX, TO CARRIE T. MOUSER, ET AL, DATED MARCH 11, 1914 AND RECORDED MARCH 14, 1914 IN BOOK 224 OF DEEDS, AT PAGE 60; THENCE SOUTH 00° 00' ~~00"~~ WEST ALONG SAID LINE, 305.75 FEET TO THE SOUTH LINE OF SAID MOUSER TRACT; THENCE NORTH 89° 59' 30" WEST ALONG SAID LINE AND THE EXTENSION WESTERLY THEREOF, 1282.20 FEET TO THE EAST LINE OF THE PARCEL OF LAND DESCRIBED IN THE DEED FROM DIEDRICH E. PRAMBERG, ET AL, TO CONTRA COSTA COUNTY, DATED DECEMBER 16, 1929 AND RECORDED JULY 23, 1930 IN BOOK 248 OF OFFICIAL RECORDS, AT PAGE 137, THENCE NORTH 00° 09' 00" EAST ALONG SAID LINE, 693.57 FEET TO THE SOUTH LINE OF THE 0.049 OF AN ACRE PARCEL DESCRIBED IN THE DEED FROM DIEDRICH E. PRAMBERG, ET AL, TO EAST BAY MUNICIPAL UTILITY DISTRICT, DATED SEPTEMBER 30, 1929 AND RECORDED OCTOBER 4, 1929 IN BOOK 211 OF OFFICIAL RECORDS, AT PAGE 82; THENCE SOUTH 73° 08' 30" EAST ALONG SAID LINE, 5.025 FEET TO THE POINT OF THE BEGINNING.

EXCEPTING THEREFROM THE EASTERLY 115 FEET AS DESCRIBED IN THE DECLARATION OF TRUST AS EXECUTED BY THE HOUSING AUTHORITY OF CONTRA COSTA COUNTY AND RECORDED APRIL 19, 1968 IN BOOK 5606 AT PAGE 106 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM A PARCEL RESERVED FOR THE "HEAD START DAYCARE FACILITY", SAID PARCEL ADJOINING THE SOUTHERLY BOUNDARY LINE AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY LINE AND BEARING SOUTH 89° 59' 30" EAST 243.42 FEET FROM THE SOUTHWESTERLY CORNER OF THE ABOVE DESCRIBED PARCEL, AND RUNNING THENCE FROM SAID POINT OF BEGINNING, NORTH 00° 00' 30" EAST 124.07 FEET; THENCE NORTH 88° 21' 01" EAST 126.42 FEET; THENCE SOUTH 00° 00' 30" WEST 130.75 FEET TO SAID SOUTHERLY LINE; THENCE NORTH 89° 59' 30" WEST AND ALONG SAID SOUTHERLY LINE 126.42 FEET TO THE POINT OF THE BEGINNING.

ASSESSOR'S PARCEL NO: 097-100-006

Exhibit B

Number and Mix of Qualifying Units

Type of Qualifying Household	Number of Units	Unit Type
Low-Income (60% of Area Median Income)	5	1BR
	21	2BR
	22	3BR
	5	4BR
Very Low-Income (50% of Area Median Income)	8	1BR
	36	2BR
	38	3BR
	8	4BR
Exceedingly Low Income (40% of Area Median Income)	1	1BR
	8	2BR
	7	3BR
	2	4BR
Extremely Low Income (30% of Area Median Income)	2	1BR
	7	2BR
	8	3BR
	1	4BR
Manager's Unit	1	3BR

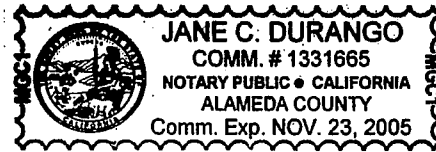
END OF DOCUMENT

STATE OF CALIFORNIA)
)ss.
COUNTY OF ALAMEDA)

493188

On September 22, 2003, before me, the undersigned, Jane C. Durango, a Notary Public, personally appeared Rudy Tamayo, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



LUMENT

	Fannie Tier 2	Fannie Tier 2	FHA 223(f)
Loan Amount	52,212,000	48,730,000	50,400,000
Rate	4.53%	5.13%	4.45%
Loan Term	12	30	35
Amortization	30	30	35
Yield Maintenance	11.5	15	
Debt Service	3,185,785	3,185,785	2,876,936
Origination	261,000	243,650	252,000
Other Fees	71,106	69,365	270,700
HUD repair Escrow			434,400
Estimated Net Proceeds	39,364,357	35,901,508	36,927,423

NEWPOINT

	Fannie	Freddie	FHA
Loan Amount	62,400,000	61,500,000	64,417,000
Rate	4.14%	4.25%	4.15%
Loan Term	10	10	35
Amortization	35	35	35
Yield Maintenance	9.5	9.5	
Debt Service	3,378,669	3,379,258	3,653,604
Origination	250,000	250,000	161,043
Other Fees	76,200	106,500	153,717
HUD repair Escrow			1,000,000
Estimated Net Proceeds	51,224,585	50,294,285	51,606,179

PNC

	Fannie	Fannie	Fannie	Fannie
Loan Amount	50,850,000	50,850,000	50,850,000	50,444,000
Rate	4.12%	4.27%	4.47%	4.61%
Loan Term	10	12	15	18
Amortization	30	30	30	30
Yield Maintenance				
Debt Service	2,955,560.0	3,117,225.0	3,080,926.0	3,106,799.0
Origination	254,250.0	254,250.0	254,250.0	252,220.0
Other Fees	48,000	48,000	48,000	48,000
HUD repair Escrow				
Estimated Net Proceeds	40,208,438	40,208,438	40,208,438	39,802,438

	Option 1	Option 2	Option 3	Option 4
	Fannie Mae Tier 4	Fannie Mae Tier 4	Fannie Mae Tier 4	Fannie Mae Tier 4
Loan Term (Years)	30	30	35	35
Amortization (Years)	30	30	35	35
Yield Maint. (Years)	15	15	15	15
Loan Amount	\$12,700,000	\$28,500,000	\$12,700,000	\$30,150,000
Max LTV	60%	60%	60%	60%
Min DSCR	1.50x	1.50x	1.50x	1.50x
Actual DSCR	4.71x	2.10x	4.98x	2.10x
US Treasury Yield (1)	3.09%	3.09%	3.09%	3.09%
Spread	1.84%	1.84%	1.89%	1.89%
Mortgage Note Rate	4.93%	4.93%	4.98%	4.98%
Underwritten NOI	\$3,822,961	\$3,822,961	\$3,822,961	\$3,822,961
Amortizing Debt Service	\$811,609	\$1,821,327	\$767,201	\$1,821,348
Cash Flow After Debt Service	\$3,011,352	\$2,001,634	\$3,055,760	\$2,001,614
Appraised Value	\$78,000,000	\$78,000,000	\$78,000,000	\$78,000,000
Estimated LTV	16%	37%	16%	39%
Existing Debt / Ground Lease	\$12,495,477	\$12,495,477	\$12,495,477	\$12,495,477
Origination Fee	127,000	213,750	127,000	226,125
Application Fee / Delivery Fee	6,350	14,250	6,350	15,075
Processing & Third Party Reports	15,000	15,000	15,000	15,000
Lender Legal	30,000	30,000	30,000	30,000
Borrower Legal, Title, Survey, etc.	20,000	20,000	20,000	20,000
Total Costs & Reserves	\$12,693,827	\$12,788,477	\$12,693,827	\$12,801,677
Estimated Net Proceeds	\$6,173	\$15,711,523	\$6,173	\$17,348,323
Time to Rate Lock	60-90 days	60-90 days	60-90 days	60-90 days
Time to Close	90-120 days	90-120 days	90-120 days	90-120 days

(1) Fannie Mae treasury floor equal to 1.20% for 30 year term.

DeAnza Gardens - Preliminary Term Sheet

Product Type	<i>Fannie Mae</i>	<i>Fannie Mae</i>	<i>Fannie Mae</i>	<i>Fannie Mae</i>
Interest Rate Type	Fixed	Fixed	Fixed	Fixed
Loan Term	30 Years	30 Years	30 Years	30 Years
Prepayment Type	Yield Maintenance	Yield Maintenance	Yield Maintenance	Yield Maintenance
Prepayment Period	15 Year(s)	15 Year(s)	15 Year(s)	15 Year(s)
Interest Only Period	10 Year(s)	10 Year(s)	10 Year(s)	10 Year(s)
Amortization	30 Year(s)	30 Year(s)	35 Year(s)	35 Year(s)
Interest Basis	Actual/360	Actual/360	Actual/360	Actual/360
Index	10-year Treasury	10-year Treasury	10-year Treasury	10-year Treasury
Current Index Rate	2.68%	2.68%	2.68%	2.68%
Estimated Spread	2.10%	2.10%	2.10%	2.10%
All-In Pay Rate	4.78%	4.78%	4.78%	4.78%
NOI Estimate	\$3,728,175	\$3,728,175	\$3,728,175	\$3,728,175
Estimated Cap Rate	5.50%	5.50%	5.50%	5.50%
Estimated Value	\$67,800,000	\$67,800,000	\$67,800,000	\$67,800,000
Max. LTV	60%	60%	60%	60%
Max. Loan Amount - Max. LTV	\$40,680,000	\$40,680,000	\$40,680,000	\$40,680,000
Fixed Rate	4.78%	4.78%	4.78%	4.78%
Min. DSC	1.50x	1.50x	1.50x	1.50x
Max. Loan Amount	\$39,567,000	\$39,567,000	\$42,205,000	\$42,205,000
Estimated Loan Amount	\$30,000,000	\$35,000,000	\$30,000,000	\$35,000,000
Actual DSC (actual Pay Rate)	1.98x	1.70x	2.11x	1.81x
Actual LTV	44.25%	51.62%	44.25%	51.62%
Estimated Debt Service (Interest Only)	\$1,434,000	\$1,673,000	\$1,434,000	\$1,673,000
Estimated Cash Flow (Interest Only)	\$2,294,175	\$2,055,175	\$2,294,175	\$2,055,175
Estimated Debt Service (Amortizing)	\$1,884,446	\$2,198,520	\$1,766,680	\$2,061,126
Estimated Cash Flow (Amortizing)	\$1,843,729	\$1,529,655	\$1,961,495	\$1,667,048

- Pricing and all loan terms are indicative only and is subject to change without notice. This transaction has not been formally quoted by Fannie Mae. All terms are based on preliminary underwriting and are subject to change based on final underwriting, interest rate movement, and acceptable Key Principal/Guarantor with credit and financial strength.

- Assumes 20-year Project Based Voucher Contract in-place at closing.

- Underwriting will be based on the lesser of Market or Project Based Voucher Contract rents.

- Preliminary underwritten cap rate/value is subject to appraisal support.

- This Preliminary Term sheet is not a commitment and does not create any obligation to make a loan on the part of PNC. The loan options detailed above are for discussion purposes only.