

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: February 12, 2020

CAO File No. 0220-00540-1421

Council File No. 17-0583-S2

Council District: 13

To: The Mayor
The Council

From: Richard H. Llewellyn, Jr., City Administrative Officer 

Reference: Housing and Community Investment Department transmittal dated January 7, 2020; Received by the City Administrative Officer on January 23, 2020, Additional Information Received through February 11, 2020

Subject: **REQUEST FOR AUTHORITY TO RE-ISSUE TAX-EXEMPT MULTIFAMILY CONDUIT REVENUE BONDS IN AN AMOUNT UP TO \$28,500,000 FOR THE PATH METRO VILLAS PHASE 2 APARTMENTS PROJECT, A SUPPORTIVE HOUSING PROJECT**

RECOMMENDATION

That the Council, subject to the approval of the Mayor, adopt Recommendations II. A and B of the Housing and Community Investment Department transmittal dated January 15, 2020 relative to the re-issuance of tax-exempt multifamily conduit revenue bonds for the development of the PATH Metro Villas Phase 2 Apartments Project.

SUMMARY

The Housing and Community Investment Department (HCID) requests authority to re-issue tax-exempt multifamily housing conduit revenue bonds in an amount not to exceed \$28,500,000 to finance the construction of the affordable housing development known as the PATH Metro Villas Phase 2 Apartments (Project). The Project will consist of the demolition of two office buildings and the new construction of two six-story buildings with 120 units of permanent supportive housing for homeless individuals and two unrestricted manager units. The subject site is located at 320 N. Madison Avenue, Los Angeles, CA 90004 in Council District 13. The California Debt Limit Allocation Committee (CDLAC) awarded a tax-exempt bond allocation for the Project to the City on July 19, 2017 in an amount not to exceed \$36,405,000 and designated a January 16, 2018 issuance deadline. The City subsequently issued \$28,500,000 in tax-exempt bonds on December 14, 2017. The HCID reports that unexpected conditions has delayed construction and increased development costs. The Developer requested changes to the Trust Indenture and other bond documents to address the funding gap in completing construction. The HCID reports that the total tax-exempt bond amount remains the same and there is no need for any new additional financing from the City.

Subsequent to the release of HCID's transmittal dated January 15, 2020 (Report), the Department provided the First Amendment to Bond Purchase Agreement and Delivery Assurance Documents, First Amendment to Deed of Trust, and First Amendment to Loan Documents, which are referenced in the Resolution requiring Council approval in Recommendation A, but were not attached to HCID's Report. These documents, along with the First Supplement to Trust Indenture attached to HCID's Report, are referred to as "Amendatory Documents" in the Resolution and are attached to this report for Council consideration. This Office concurs with the recommendations of the Department.

The City's involvement in the issuance of tax-exempt, multifamily housing conduit revenue bonds is considered true conduit financing, in which the obligation for repayment of the bonds is the responsibility of Metro Villas Phase 2 Los Angeles, L.P. and the City bears no financial responsibility for repayment as the issuer. There will be no impact to the General Fund. The financing is consistent with City policies regarding conduit financing.

The Council adopted a Responsible Banking Ordinance (RBO) in May 2012 (C.F. 09-0234 and C.F. 09-0234-S1). The purpose of the RBO is to create a social investment policy that reflects the community's priorities and acts as a tool when seeking financial services. Bank of America, N.A. (BofA) is currently in compliance with the reporting requirements of the RBO and HCID will ensure that BofA will continue to adhere to the RBO. Since the City acts only as a conduit issuer in these bond transactions and has no financial interest, the selection of the bank does not constitute City business.

FISCAL IMPACT STATEMENT

There will be no impact to the General Fund as a result of the issuance of these tax-exempt multifamily conduit revenue bonds (bonds) for the PATH Metro Villas Phase 2 Apartments (Project). The City is a conduit issuer and does not incur liability for the repayment of the bonds, which are a limited obligation payable solely from the revenues of the Project, and the City will in no way be obligated to make payments on the bonds.

FINANCIAL POLICIES STATEMENT

The recommendations in this report comply with the City's Financial Policies.

DEBT IMPACT STATEMENT

There is no debt impact as these bonds are a conduit issuance debt and not a debt of the City.

RHL:EIC:02200109c

Attachments

FIRST SUPPLEMENT TO TRUST INDENTURE

THIS FIRST SUPPLEMENT TO TRUST INDENTURE, dated as of [_____] 1, 20[___] (this “First Supplement”), is by and among the **CITY OF LOS ANGELES**, a charter city and municipal corporation of the State of California, duly organized and existing under its charter and the laws of the State of California (the “City” or the “Issuer”), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States of America, (the “Trustee”), **BANK OF AMERICA, N.A.**, a national banking association organized and existing under the laws of the United States of America (the “Bank”), and **METRO VILLAS PHASE 2 LOS ANGELES, LP**, a California limited partnership (the “Borrower”) and amends and supplements that certain Trust Indenture dated as of December 1, 2017 (the “Original Indenture”) between the City and the Trustee relating to \$28,500,000 in principal amount of the City’s Multifamily Housing Revenue Bond (PATH Metro Villas Phase 2 Apartments Project), Series 2017C (the “Bond”).

WHEREAS, pursuant to the Original Indenture and Section 248 of the City Charter of the City of Los Angeles and Article 6.3 of Chapter 1 of Division 11 of the Los Angeles Administrative Code, as amended (collectively, the “Law”), and in accordance with Chapter 7 of Part 5 of Division 31 (commencing with Section 52075) of the Health and Safety Code of the State of California (the “Act”), the Issuer has issued the Bond; and

WHEREAS, the Borrower, CCRC and the Bank have agreed that principal amount of the Bond to be purchased by CCRC upon Conversion shall be increased to \$2,320,000; and

WHEREAS, Section 8.02 of the Original Indenture permits the Issuer and the Trustee, from time to time and at any time with the prior written consent of the Owner of the Bond to enter into an indenture or indentures supplemental to the Original Indenture for the purpose of adding any provisions to or changing in any manner or eliminating any provisions of the Original Indenture; and

WHEREAS, the Bank is currently the registered Owner of the Bond and the servicer of the Loan (the “Servicer”); and

WHEREAS, Section 8.04 of the Original Indenture requires the consent of the prior written consent of the Borrower to enter into an indenture or indentures supplemental to the Original Indenture entered into pursuant to Section 8.02 of the Indenture; and

WHEREAS, the Issuer, the Bank and the Trustee have received an Opinion of Counsel that this First Supplement will not cause the interest on the Bond to be includable in gross income of the Owner (other than an Owner who is a “substantial user” of the Project or a “related person” to a “substantial user,” as defined in Section 147(a) of the Code) for purposes of federal income taxation and that this First Supplement is authorized or permitted by the Original Indenture; and

WHEREAS, pursuant to the Original Indenture, the Issuer, the Trustee, the Bank (as sole Owner of the Bond) and the Borrower have evidenced their consent to the terms of this First

Supplement and waived all required notices thereof under the Original Indenture, including, but not limited to, in Sections 8.02 and 8.04 of the Original Indenture, each as evidenced by the signature of an authorized representative hereto; and

NOW, THEREFORE, in consideration of the mutual agreements contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto amend the Original Indenture as follows as of the date set forth above:

Section 1. Recitals; Definitions. The foregoing recitals are hereby agreed to and acknowledged. All capitalized terms used in this First Supplement and not otherwise defined have the meanings assigned in the Original Indenture.

Section 2. Amendment to Definition. The following definitions contained in Section 1.01 of the Original Indenture are amended to read or are added to Section 1.01 of the Original Indenture as follows:

“*Bond Purchase Agreement*” means the Bond Purchase Agreement dated as of December 1, 2019, among the Borrower, the Bank and CCRC as amended by the First Amendment to Bond Purchase Agreement and Delivery Assurance Documents dated as of [_____], among the Borrower, the Bank and CCRC, pursuant to which and subject to the terms and conditions therein, CCRC has agreed to purchase up to \$2,320,000 principal amount of the Bond upon Conversion.

Section 3. Amendment to Section 4.01. Section 4.01(d) of the Original Indenture is amended to read as follows:

(d) in part on the Conversion Date, in an amount sufficient to reduce the aggregate principal amount of the Outstanding Bond to \$2,320,000 or such lower amount as is necessary in order to satisfy the conditions to Conversion contained in the Bond Purchase Agreement as stated in writing by the Servicer;

Section 4. Amendment to Exhibit C. Exhibit C of the Original Indenture is amended and restated in its entirety as attached hereto.

Section 5. Ratification. Except as amended and supplemented hereby, all provisions of the Original Indenture remain in full force and effect, and the Original Indenture, as amended and supplemented by this First Supplement, is hereby ratified. By its execution hereto, the Bank hereby authorizes and directs the Trustee to execute this First Supplement.

Section 6. Effective Date. This First Supplement shall become effective as of the date hereof.

Section 7. Execution in Several Counterparts. This First Supplement may be executed in any number of counterparts, and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts, or as many of them as the Issuer and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 8. Governing Law. This First Supplement shall be governed by and construed in accordance with the internal laws of the State of California.

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IN WITNESS WHEREOF, the undersigned authorized representatives of the Issuer, the Trustee, the Borrower, the Bank have evidenced their respective consent to the terms of this First Supplement to Trust Indenture as of the day and year first above written by their below signatures.

CITY OF LOS ANGELES, as Issuer

By: Housing and Community Investment
Department

By _____
Authorized Officer

Approved as to form by:

MICHAEL N. FEUER,
City Attorney

Deputy/Assistant City Attorney

[Issuer signature page to *PATH Metro Villas Phase 2* First Supplement to Trust Indenture]

**U.S. BANK NATIONAL ASSOCIATION, as
Trustee**

By: _____
Name: Julia Hommel
Title: Vice President

[Trustee signature page to *PATH Metro Villas Phase 2* First Supplement to Trust Indenture]

**BANK OF AMERICA, N.A., as Bank and
Servicer**

By: _____
Name:
Title:

[Bank signature page to *PATH Metro Villas Phase 2*
First Supplement to Trust Indenture]

NOTARY ACKNOWLEDGMENT STATEMENT

State of California

County of _____)

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ [SEAL]

**METRO VILLAS PHASE 2 LOS ANGELES,
LP**, a California limited partnership, as Borrower

By: PV Metro Villas Phase 2 GP, LLC, a
California limited liability company, its
Managing General Partner

By: PATH Ventures, a California
nonprofit public benefit corporation,
its sole member

By: _____
Amy Anderson
Executive Director

[Borrower signature page for *PATH Metro Villas Phase 2* First Supplement to Trust Indenture]

EXHIBIT C

FORM OF REDEMPTION SCHEDULE

(subject to change based upon actual permanent loan amount)

\$28,500,000
City of Los Angeles
Multifamily Housing Revenue Bond
(PATH Metro Villas Phase 2 Apartments Project)
Series 2017C

REDEMPTION SCHEDULE

Due	Principal Amt
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[To be provided by CCRC]

FIRST AMENDMENT TO
BOND PURCHASE AGREEMENT AND DELIVERY ASSURANCE DOCUMENTS

THIS FIRST AMENDMENT TO BOND PURCHASE AGREEMENT AND DELIVERY ASSURANCE DOCUMENTS (this "***Amendment***") is made and entered into as of _____, 2019, by and among BANK OF AMERICA, N.A., a national banking association ("***Bank***"), CALIFORNIA COMMUNITY REINVESTMENT CORPORATION, a California nonprofit public benefit corporation ("***CCRC***"), and METRO VILLAS PHASE 2 LOS ANGELES, LP, a California limited partnership ("***Borrower***").

RECITALS:

WHEREAS, City of Los Angeles, a charter city and municipal corporation in the State of California (the "***Issuer***") issued its Multifamily Housing Revenue Bond (PATH Metro Villas Phase 2 Apartments Project), Series 2017C (the "***Bond***") in the face amount of \$28,500,000 pursuant to that certain Trust Indenture dated as of December 1, 2017 ("***Indenture***"), by and between Issuer and U.S. Bank National Association, a national banking association, as trustee (the "***Bond Trustee***");

WHEREAS, the Bond was purchased by Bank in connection with the loan of the proceeds thereof to Borrower (the "***Loan***") pursuant to the terms of that certain Loan Agreement dated as of December 1, 2017, among the Issuer, Bond Trustee and Borrower (the "***Loan Agreement***"), for the purpose of financing the acquisition, construction and development of an 122-unit multifamily rental housing project in the City of Los Angeles, California (the "***Project***");

WHEREAS, Bank, CCRC and Borrower also entered into that certain Bond Purchase Agreement dated as of December 1, 2017 (the "***Bond Purchase Agreement***"), which sets forth the agreements of the parties thereto with respect to CCRC's purchase of the Bond at par on the Conversion Date (as defined therein), in a principal amount of up to \$1,000,000 (the "***Original CCRC Purchase Price***"), and the conditions and requirements of the parties with respect thereto;

WHEREAS, in connection with CCRC's execution of the Bond Purchase Agreement, Borrower was required to execute and deliver to CCRC (i) that certain Promissory Note (Delivery Assurance Fee) dated as of December 1, 2017 (the "***Delivery Assurance Note***"), made by Borrower in favor of CCRC, and (ii) that certain Delivery Assurance Multifamily Deed of Trust, Security Agreement and Fixture Filing dated as of December 1, 2017 (the "***Delivery Assurance Deed of Trust***"), executed by Borrower for the benefit of CCRC, which recorded in the Official Records of the County of Los Angeles, State of California, on December 15, 2017 as Instrument No. 20171458910.

WHEREAS, Borrower has requested that CCRC agree to increase the amount of the Bond at par that CCRC agrees to purchase on the Conversion Date from the Original Purchase Price of \$1,000,000 to \$2,320,000; and

WHEREAS, the Bank, CCRC and the Borrower wish to enter into this Amendment in order to amend the Bond Purchase Agreement to provide for such increase of the Original CCRC Purchase Price.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Bank, CCRC and Borrower agree as follows:

1. Incorporation of Recitals. The foregoing recitals are hereby incorporated into this Amendment by this reference.

2. Definitions. All capitalized terms used but not otherwise defined herein shall have the meanings given them in the Bond Purchase Agreement.

3. Amendment of Bond Purchase Agreement. As between CCRC, Bank and Borrower, the terms, conditions and covenants of the Bond Purchase Agreement are hereby amended as follows:

(a) All references in the Bond Purchase Agreement to the "Conventional Loan" shall hereafter mean the conventional loan from Bank to Borrower in the principal amount increased from \$12,587,844 to \$13,422,844.

(b) Section 2.1(a) of the Bond Purchase Agreement is hereby deleted in its entirety and the following is substituted therefor:

"(a) **CCRC Purchase Price.** Provided that all of the Conversion Conditions set forth in Article 3 and Exhibit G of this Agreement are satisfied, CCRC shall purchase the Bond at par, in the maximum principal amount of \$2,320,000 (the "**CCRC Purchase Price**"), on the Conversion Date, subject to adjustment as provided in Section 2.1(b) below; provided, however, that at Conversion, the Loan shall not exceed eighty percent (80%) of the CCRC's appraised market value at stabilized occupancy using the rents under the HAP Contract for the 75 Project units subject to the HAP Contract (as determined by CCRC in its reasonable discretion). On or before the Conversion Date, Borrower shall have made all such payments of principal and interest on the Note (and caused the same to be applied to the redemption of the Bond) such that the principal amount outstanding together with any accrued unpaid interest with respect to the Bond and the Permanent Loan as of the Conversion Date does not exceed the CCRC Purchase Price."

(c) Notwithstanding anything to the contrary set forth in the first sentence of Section 2.3(a), the CCRC Loan Fee shall be equal to (x) a loan fee equal to \$13,920 ("Commitment Fee") and (y) an application fee equal to \$2,000 ("Application Fee"; and together with the Commitment Fee, the "CCRC Loan Fee"), and shall be due and payable as follows: (i) \$7,500 of the Commitment Fee and the entire Application Fee shall be due and payable on or before the Bond Loan Closing; and (ii) the remaining \$6,420.00 of the Commitment Fee ("Second Installment") shall be due and payable on the Conversion Date. The payment of the Second Installment to CCRC shall be an additional Conversion Condition under the Bond Purchase Agreement

(d) The conditions precedent to CCRC's obligation to purchase the Bond at the Conversion Date set forth on Exhibit G to the Bond Purchase Agreement are hereby amended as follows:

1. Subsection (h)(1) of Exhibit G to the Bond Purchase Agreement is hereby deleted and amended and replaced in its entirety as follows:

"(1) The CCRC Title Policy shall be issued in such amount as may be requested by CCRC, but in no event more than \$2,320,000;"

2. The first sentence of subsection (aa) of Exhibit G to the Bond Purchase Agreement is hereby deleted and amended and restated in its entirety as follows:

"Borrower shall have received an allocation of federal low-income housing tax credits ("Tax Credits") for the Property under Section 42 of the Internal Revenue Code of 1986 as amended from time to time (the "Code") from TCAC in an aggregate amount of not less than \$17,417,790 (subject to final eligible basis tax credit percentage and adjustment in accordance with the Partnership Agreement) and \$5,359,319 in certificated state tax credits, and shall have allocated such Tax Credits to a third party investor in connection with such investor's commitment to contribute and/or purchase, as applicable, approximately \$24,254,286 (subject to adjustment in accordance with terms and conditions of the Partnership Agreement and the purchase and sale agreement relating to the tax credits) (net of fees and costs) to Borrower, the proceeds of which shall have been or will be invested in the Property."

3. The second sentence of subsection (jj) of Exhibit G is hereby deleted and amended and restated in its entirety as follows:

"The Master Rent Subsidy Agreement shall (i) cover not less than 15 units in the Project, (ii) be for a term of not less than fifteen (15) years, and (iii) provide for gross rents of not less than \$1,279 for studio units and \$1,517 for 1 bedroom units."

4. The second sentence of subsection (kk) of Exhibit G is hereby deleted and amended and restated in its entirety as follows:

"The HAP Contract shall (i) cover not less than 75 units in the Project, (ii) be for a term of not less than fifteen (15) years, and (iii) provide for gross rents of not less than \$1,279 per month for studio units with Section 8 housing assistance payments and \$1,668 per month for one-bedroom units with Section 8 housing assistance payments, and \$1,496 per month for studio units with Project Based Veterans Affairs Supportive Housing (PBVASH) vouchers ("**VASH Vouchers**"), and \$1,808 per month for one-bedroom units with VASH Vouchers."

(e) Delivery Assurance Note. All referenced to the "CCRC Commitment" or the "Maximum Loan Amount" set forth in the Delivery Assurance Note are hereby amended to mean CCRC's commitment to purchase the Bond at par, upon the terms and subject to the conditions set forth in the Bond Purchase Agreement, on the Conversion Date, up to \$2,320,000 in principal amount or such lesser amount as may be permitted under the Bond Purchase Agreement.

(f) Delivery Assurance Deed of Trust. All references to the "Note" set forth in the Delivery Assurance Deed of Trust shall mean the Delivery Assurance Note as amended by this Amendment. Notwithstanding anything to the contrary set forth in the recitals of the Delivery Assurance Note, the parties hereto agree that from and after the effectiveness of this Amendment, CCRC has committed upon the terms and conditions set forth in the Bond Purchase Agreement, to purchase from Bank on the Conversion Date, the Bond at par shall be up to \$2,320,000 in principal or such lesser amount as may be permitted under the Bond Purchase Agreement.

4. Conditions Precedent. Before this Amendment becomes effective and CCRC becomes obligated under it, all of the following conditions (collectively, the "**Conditions Precedent**") must be satisfied, at Borrower's sole cost and expense and in a manner acceptable to CCRC and Bank in the exercise of each of CCRC's and Bank's sole judgment, on or before _____, 2019:

(a) Borrower and Bank shall have executed and delivered to CCRC, a fully-executed copy of that certain First Amendment to Loan Documents dated as of even date herewith (including all consents attached thereto) ("**First Amendment to BofA Loan Documents**"), by and among Borrower and Bank in a form and substance approved by CCRC, as confirmed by CCRC by CCRC's execution of the consent for CCRC attached thereto;

(b) The First Amendment to Deed of Trust dated as of even date herewith, by and between Borrower and Bank, a form approved by CCRC and Bank, shall have recorded in the Official Records;

(c) Borrower shall have satisfied all "Conditions Precedent" described in the First Amendment to BofA Loan Documents and Bank shall have confirmed the same to CCRC;

(d) Borrower shall have delivered to CCRC evidence acceptable to CCRC that the commitment from Borrower's investor limited partner to make capital contributions to Borrower in an aggregate amount of at least \$24,254,286; and

(e) Borrower shall reimburse CCRC and Bank for their reasonable attorneys' fees and costs actually incurred in connection with the preparation, review, execution and delivery of this Amendment and of the amendments or modifications of the Loan Documents (as defined in the Loan Agreement), related hereto, to be payable concurrently with or prior to the execution of this Amendment.

5. Ratification. Except as expressly modified herein, the Bond Purchase Agreement remains unmodified and in full force and effect and the parties ratify and confirm the terms thereof as modified by this Amendment.

6. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

[Signature page(s) to follow.]

IN WITNESS WHEREOF, Bank, CCRC and Borrower have executed this First Amendment to Bond Purchase Agreement effective as of the day and year first above written.

“BANK”

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

By: _____
Michael K. Petty
Senior Vice President

[Signatures continue on following page]

“CCRC”

CALIFORNIA COMMUNITY REINVESTMENT
CORPORATION, a California nonprofit public
benefit corporation

By: _____
Maria A. Majczinger
Senior Vice President

[Signatures continue on following page]

“BORROWER”

METRO VILLAS PHASE 2 LOS ANGELES, LP,
a California limited partnership

By: PV Metro Villas Phase 2 GP, LLC,
a California limited liability company,
its managing general partner

By: PATH Ventures,
a California nonprofit public benefit
corporation,
its sole member

By: _____
Allison Riley
Managing Director,
Real Estate Development

RECORDING REQUESTED BY, AND
WHEN RECORDED RETURN TO:

Davis Wright Tremaine LLP
865 South Figueroa Street
Suite 2400
Los Angeles, California 90017
Attention: Tiffany K. Switzer, Esq.

FIRST AMENDMENT TO DEED OF TRUST

This First Amendment to Deed of Trust (this "**Amendment**") dated as of November __, 2019, is made by **METRO VILLAS PHASE 2 LOS ANGELES, LP**, a California limited partnership ("**Trustor**"), **BANK OF AMERICA, N.A.**, a national banking association ("**Conventional Lender**"), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association ("**Bond Trustee**"; and together with Conventional Lender, "**Beneficiary**"), with reference to the following facts:

A. Trustor, the City of Los Angeles, a charter city and municipal corporation in the State of California (the "**Issuer**"), and Bond Trustee previously entered into that certain Loan Agreement dated as of December 1, 2017, pursuant to which Issuer made a bond loan in the amount of \$28,500,000 to Trustor (the "**Bond Loan**") funded with the proceeds of the sale of a certain bond to Bank of America, N.A. ("**Majority Owner**"). The Bond Loan is evidenced by that certain Promissory Note (Bond Loan) dated as of December 1, 2017, made by Trustor to the order of Issuer in the face principal amount of \$28,500,000 ("**Bond Note**").

B. Trustor and Conventional Lender previously entered into that certain Loan Agreement dated as of December 1, 2017, pursuant to which Conventional Lender made a conventional loan in the amount of \$12,587,844 to Trustor (the "**Original Conventional Loan**"). The Original Conventional Loan is evidenced by that certain Promissory Note (Conventional Loan) dated December 1, 2017, made by Trustor to the order of Conventional Lender in the original principal amount of \$12,587,844 (the "**Original Conventional Note**").

C. The Bond Loan and the Original Conventional Loan are, among other things, that certain Construction and Permanent Deed of Trust with Assignment of Rents, Security Agreement and Fixture Filing (the "**Deed of Trust**") dated as of December 1, 2017, executed by Trustor, as trustor, for the benefit of Issuer and Conventional Lender, collectively, as beneficiary, encumbering certain real property located in the County of Los Angeles, State of California and more particularly described therein ("**Trustor Property**"), which was recorded in the Official Records of the County of Los Angeles, State of California (the "**Official Records**") on December 15, 2017, as Instrument No. 20171458900. Issuer assigned its rights (except for the "Reserved Rights" as defined in the Bond Loan Agreement) under the Bond Note, the Deed of Trust and the other Loan Documents to Bond Trustee pursuant to that certain Assignment of Deed of Trust and Related Documents dated as of December 1, 2017, executed by Issuer for the benefit of Bond Trustee, which was recorded in the Official Records on December 15, 2017, as Instrument No. 20171458901. The Bond Loan and the Conventional Loan are disbursed pursuant to the terms and conditions of that certain Construction Disbursement Agreement dated as of December 1, 2017 ("**Construction Disbursement Agreement**"), by and between Trustor and Bank of America, N.A., in its capacity as Conventional Lender and the servicer of the Bond Loan (in such capacity as servicer of the Bond Loan, "**Servicer**").

D. Concurrently herewith, Trustor, Conventional Lender and Servicer are entering into that certain First Amendment to Loan Documents dated as of even date herewith (the "**First Amendment to Loan Documents**"), as consented by, among others, Bond Trustee, pursuant to which (i) Conventional

Lender agrees to increase the amount of the Original Conventional Loan from \$12,587,844 to \$13,423,367 (as so increased, the "**Conventional Loan**"; and together with the Bond Loan, the "**Loans**"), and (ii) Conventional Lender and Servicer agree to make certain other amendments to the Construction Disbursement Agreement and the other Loan Documents as more particularly described therein. To evidence the increase in the Original Conventional Loan to the Conventional Loan, Borrower is executing an Amended and Restated Promissory Note (Conventional Loan) dated as of even date herewith to the order of Conventional Lender (the "**Amended and Restated Conventional Note**"), in the face principal amount of Thirteen Million Four Hundred Twenty-Three Thousand Three Hundred Sixty-Seven and No/100th Dollars (\$13,423,367), which Amended and Restated Conventional Note shall amend and restate the Original Conventional Note in its entirety.

E. The parties hereto desire that obligations of Borrower under the Amended and Restated Conventional Note be a "Secured Obligation" under the Deed of Trust in addition to the "Secured Obligations" set forth therein.

F. Capitalized terms used and not otherwise defined herein have the meanings set forth for them in the First Amendment to Loan Documents.

In consideration of the foregoing, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Trustor and Beneficiary hereby agree as follows:

1. Amendment to Deed of Trust.

1.1 Section 1.2(a)(i) of the Deed of Trust is hereby amended and restated in its entirety and replaced with the following:

"(i) Payment of all obligations of Trustor at any time owing under (a) the Loan Agreements, (b) that certain Promissory Note (Bond Loan) (the "**Bond Note**") dated as of December 1, 2017, made by Trustor to the order of Issuer in the stated principal amount of Twenty-Eight Million Five Hundred Thousand and No/100th Dollars (\$28,500,000), (c) that certain Amended and Restated Promissory Note (Conventional Loan) ("**Conventional Note**"; and together with the Bond Note, the "**Notes**") dated as of November __, 2019, made by Trustor to the order of Conventional Lender in the stated principal amount of Thirteen Million Four Hundred Twenty-Three Thousand Three Hundred Sixty-Seven and No/100th Dollars (\$13,423,367), and (d) the other Loan Documents (as that term is defined in the Indenture), provided, however, that this Deed of Trust does not secure any Loan Document or other document, or any provision of any Loan Document or other document, that is expressly stated to be unsecured; and"

1.2 All references to the Loan Documents set forth in the Deed of Trust shall mean the Bond Loan Agreement, the Conventional Loan Agreement, the Construction Disbursement Agreement, the Bond Note, the Amended and Restated Conventional Note, the Deed of Trust and the other "Loan Documents" described in the Loan Agreements, in each case, as amended by the First Amendment to Loan Documents and this Amendment.

2. Conforming Amendments. Each reference in each of the other Loan Documents to the "Deed of Trust" shall hereafter mean the Deed of Trust as hereby amended. This Amendment, the Amended and Restated Conventional Note and the First Amendment to Loan Documents shall, in addition to the other Loan Documents, each be "Loan Documents" as such term is used in the Deed of Trust and the Loan Agreement.

3. No Other Amendment. As expressly modified hereby or in the First Amendment to Loan Documents, the Deed of Trust and the Loan Agreement each remain in full force and effect.

4. Miscellaneous. This Amendment shall bind, and shall inure to the benefit of, the successors and assigns of the parties. This document may be executed in counterparts with the same force and effect as if the parties had executed one instrument, and each such counterpart shall constitute an original hereof. This Amendment shall be governed by the laws of the State of California (without regard to any choice of law provisions thereof).

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Trustor and Beneficiary have caused this Amendment to be duly executed as of the date first written above.

TRUSTOR:

METRO VILLAS PHASE 2 LOS ANGELES, LP,
a California limited partnership

By: PV Metro Villas Phase 2 GP, LLC,
a California limited liability company,
its managing general partner

By: PATH Ventures,
a California nonprofit public benefit corporation,
its sole member

By: _____
Allison Riley
Managing Director,
Real Estate Development

[Signatures Continue on Next Page]

BENEFICIARY:

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

By: _____
Michael K. Petty
Senior Vice President

[Signatures Continue on Next Page]

BENEFICIARY (continued):

U.S. BANK NATIONAL ASSOCIATION,
a national banking association

By: _____
Julia Hommel
Vice President

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies **only** the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
) ss
County of)

On _____, 2019 before me,
_____, a Notary Public, personally appeared,
_____, who proved to me the basis of satisfactory
evidence to be the person (s) whose name (s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her their authorized capacity
(ies), and that by his/her/their signature (s) on the instrument the person (s), or the entity upon
behalf of which the person (s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
) ss
County of)

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_____, a Notary Public, personally appeared,
_____, who proved to me 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.

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WITNESS my hand and official seal.

Signature _____

(Seal)

ACKNOWLEDGMENT

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) ss
County of)

On _____, 2019 before me,
_____, a Notary Public, personally appeared,
_____, who proved to me the basis of satisfactory
evidence to be the person (s) whose name (s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her their authorized capacity
(ies), and that by his/her/their signature (s) on the instrument the person (s), or the entity upon
behalf of which the person (s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

FIRST AMENDMENT TO LOAN DOCUMENTS

This First Amendment to Loan Documents (this "**Amendment**") is made as of November __, 2019, by METRO VILLAS PAHSE 2 LOS ANGELES, LP, a California limited partnership ("**Borrower**"), and BANK OF AMERICA, N.A., a national banking association ("**Bank**").

Factual Background

A. Pursuant to that certain Loan Agreement dated as of December 1, 2017, by and between Borrower and Bank (the "**Conventional Loan Agreement**"), Bank made a conventional construction loan to Borrower in the amount of \$12,587,844 (the "**Original Conventional Loan**") to finance a portion of the costs to construct a 122-unit multi-family rental housing project (the "**Project**") on the Property more further described in the Loan Agreement. Bank in its capacity as the lender of the Conventional Loan is referred to herein as "**Conventional Lender**".

B. The Conventional Loan is evidenced by that certain Promissory Note (Conventional Loan) dated as of December 1, 2017, executed by Borrower for the benefit of Conventional Lender (the "**Original Conventional Note**"), and is secured by, among other things, that certain Construction and Permanent Deed of Trust with Assignment of Rents, Security Agreement, and Fixture Filing dated as of December 1, 2017, executed by Borrower for the benefit of Conventional Lender and Bond Lender (defined below), which recorded in the Official Records of the County of Los Angeles, State of California ("**Official Records**"), on December 15, 2017 as Instrument No. 20171458900 (the "**Original Deed of Trust**").

C. As additional financing for the project, the City of Los Angeles, a charter city and municipal corporation in the State of California (the "**Issuer**") issued its Multifamily Housing Revenue Bond (PATH Metro Villas Phase 2 Apartments Project), Series 2017C (the "**Bond**") in the face amount of \$28,500,000 pursuant to that certain Trust Indenture dated as of December 1, 2017 ("**Indenture**"), by and between Issuer and U.S. Bank National Association, a national banking association, as trustee (the "**Bond Trustee**"). Utilizing the proceeds of the sale of the Bond, Issuer made a bond loan to Borrower in the amount of \$28,500,000 (the "**Bond Loan**") pursuant to that certain Loan Agreement dated as of December 1, 2017, by and between Issuer, Bond Trustee and Borrower (the "**Bond Loan Agreement**"); and together with the Conventional Loan Agreement, the "**Loan Agreements**"). Bank is the initial purchaser of the Bond (in such capacity "**Majority Owner**") and is the servicer of the Bond Loan (in such capacity, "**Servicer**").

D. The Bond Loan is evidenced by that certain Promissory Note (Bond Loan) dated as of December 1, 2017 (the "**Bond Note**"), executed by Borrower for the benefit of Issuer, and is secured by, among other things, the Original Deed of Trust. As security for its obligations under the Indenture, Issuer assigned its right, title and interest under the Bond Note, the Original Deed of Trust and the other Loan Documents (except for certain "Reserved Rights" as defined in the Bond Loan Agreement) to Bond Trustee pursuant to that certain Assignment of Deed of Trust and Related Documents dated as of December 1, 2017, executed by Issuer in favor of Bond Trustee, which was recorded in the Official Records on December 15, 2017 as Instrument No. 20171458901 (the "**Assignment of Deed of Trust**"). Bond Trustee in its capacity as the holder of such beneficial rights under the Loan Documents for the benefit of the owner of the Bond is herein as "**Bond Lender**". Conventional Lender and Bond Lender are referred to herein as "**Lender**".

E. The proceeds of the Conventional Loan and the Bond Loan are disbursed pursuant to the terms and conditions set forth in that certain Construction Disbursement

Agreement dated as of December 1, 2017 (the "**Construction Disbursement Agreement**"), by and among Borrower, Bank as Majority Owner and Bank as Conventional Lender. The Loan Agreements, the Construction Disbursement Agreement, the Original Conventional Note, the Bond Note, the Original Deed of Trust and the other "Loan Documents" (as defined in the Loan Agreement) are collectively referred to herein as the "**Loan Documents**".

F. Borrower is a limited partnership formed and operating pursuant to that certain Amended and Restated Agreement of Limited Partnership dated as of December 14, 2017, entered into by and among PV Metro Villas Phase 2 GP, LLC, a California limited liability company ("**General Partner**"), NEF Assignment Corporation, an Illinois not-for-profit corporation ("**Investor Limited Partner**"), ///[as amended by that certain First Amendment to Amended and Restated Agreement of Limited Partnership dated as of _____]/// (as amended, the "**Partnership Agreement**"). Pursuant to the Partnership Agreement, Investor Limited Partner was admitted as an investor limited partner and agreed to make capital contributions to Borrower. Investor's obligation to make capital contributions is evidenced by the Partnership Agreement and is secured by a pledge and assignment of Investor's partnership interests in Borrower pursuant to a pledge and/or security agreement contained within the Partnership Agreement. Pursuant to the terms of the Partnership Agreement, the total capital contributions to Borrower from Investor are anticipated to be approximately at least Eighteen Million Eight Hundred Forty Thousand Two Hundred Seventy-One and No/100th Dollars (\$18,840,271), (the "**Capital Obligations**").

G. Pursuant to that certain Security Agreement (Assignment of Partnership Interests and Capital Contributions) dated as of December 1, 2017, executed by Borrower and General Partner in favor of Lender (the "**Security Agreement**"), Borrower pledged to Lender, and created a security interest in favor of Lender in and to, Borrower's rights in the Tax Credits (as defined therein) and Borrower's rights under the Partnership Agreement to receive the Capital Contributions, and General Partner pledged to Lender, and created a security interest in favor of Lender in and to, among other things: (1) all of General Partner's and General Partner's rights as a general partner in Borrower including rights under the Partnership Agreement; (2) the Credits; and (3) the Capital Contributions. In addition, General Partner has pledged its rights under certain "Collateral Documents" described in that certain Pledge and Security Agreement (State Certificated Tax Credits) dated as of December 1, 2017 ("**State Tax Credits Pledge Agreement**"), by and among General Partner, Bond Lender and Conventional Lender.

H. If Borrower satisfies the "Conditions to Conversion" contained in the certain Bond Purchase Agreement dated as of December 1, 2017 (as amended from time to time, the "**Bond Purchase Agreement**"), by and among Borrower, Majority Owner and California Community Reinvestment Corporation ("**CCRC**"), CCRC has committed to purchase a portion of the Bonds at par not to exceed \$1,000,000 ("**Original CCRC Permanent Loan Amount**"), and the Bond Loan will convert to a term loan upon the Conversion Date (as defined in the Bond Purchase Agreement). Concurrent with this Amendment, CCRC shall increase its Original CCRC Permanent Loan Amount to \$2,320,000 ("**CCRC Permanent Loan Amount**") pursuant to the terms and conditions set forth in the Bond Purchase Agreement and that certain First Amendment to Bond Purchase Agreement dated as of even date herewith ("**First Amendment to Bond Purchase Agreement**"), by and among Borrower, CCRC and Majority Owner.

I. Borrower has requested that Conventional Lender increase the Conventional Loan from \$12,587,844 ("**Original Conventional Loan Amount**") to \$13,423,367 ("**Increased Conventional Loan Amount**") as additional financing for the Project. In addition, Borrower has requested Bank extend certain required dates set and modify its conditions to extension of the Termination Date, in each case, as set forth in the Construction Disbursement Agreement. Bank

agrees to such modifications to the Loan Documents subject to the terms and conditions set forth herein.

J. In connection with the amendments and modifications described above, the Bond shall be reissued as of the effective date hereof (the "**Bond Reissuance**") in accordance with the resolution of the Issuer adopted on _____, authorizing, among other things, the reissuance of the Bond and the execution and delivery by the issuer of the First Supplement to Trust Indenture, dated as of _____ (the "**Supplemental Indenture**").

K. All capitalized terms used herein and not otherwise defined shall have the meanings set forth for them in the Construction Disbursement Agreement.

Agreement

Therefore, Borrower and Bank agree as follows:

1. Recitals. The recitals set forth above in the Factual Background are true, accurate and correct.

2. Reaffirmation of Loan Documents. Borrower reaffirms all of its obligations under the Loan Documents and Borrower acknowledges that it has no claims, offsets or defenses with respect to the payment of sums now or hereafter payable under the Loan Documents.

3. Amendments to the Construction Disbursement Agreement and the Loan Documents.

(a) All references set forth in the Construction Disbursement Agreement and the other Loan Documents to the "Conventional Loan" shall hereafter refer to the loan from Conventional Lender to Borrower increased from the Original Conventional Loan to the Increase Conventional Loan Amount in the amount of Thirteen Million Four Hundred Twenty-Three Thousand Three Hundred Sixty-Seven and No/100th Dollars (\$13,423,367) (the "**Conventional Loan**"; and together with the Bond Loan, the "**Loans**").

(b) All references set forth in the Construction Disbursement Agreement and the other Loan Documents to the "Conventional Note" shall hereafter refer to the Amended and Restated Conventional Note (defined below).

(c) All references set forth in the Construction Disbursement Agreement and the other Loan Documents to the "Mortgage" or the "Deed of Trust" shall hereafter refer to the Original Deed of Trust, as assigned by the Assignment to Deed of Trust and as amended by the First Amendment to Deed of Trust described below.

(d) Section 2.1(c) to the Construction Disbursement Agreement is hereby amended and restated and replaced in its entirety with the following:

"(c) Bank shall grant a request by Borrower to extend the Termination Date from June 1, 2020 ('**Initial Termination Date**') to December 1, 2020 (the '**First Extended Termination Date**'), upon and subject to the following terms and conditions:

i. Borrower shall request the extension, if at all, by written notice to Bank not more than ninety (90) days, and not less than thirty (30) days, prior to the Initial Termination Date;

ii. At the time of the request, the Certificate of Occupancy for the Improvements shall have been obtained and a copy of which shall have been delivered to Bank;

iii. At the time of the request, and at the time of the extension, there shall not exist any default or any condition or state of facts which after notice and/or lapse of time would constitute a default under any Loan Document;

iv. Current financial statements regarding Borrower (dated not earlier than thirty (30) days prior to the request for extension, as described in Subsection (i) above) and all other financial statements and other information as may be required under the Loan Documents regarding Borrower, each Guarantor and the Property shall have been submitted promptly to Bank;

v. In the reasonable opinion of Bank, there shall not have occurred any material adverse change in the business or financial condition of Borrower or any Guarantor or in the Property or in any other state of facts submitted to Bank in connection with the Loan Documents, from that which existed on the date of this Agreement;

vi. The Loan, as of the Initial Termination Date is "in-balance" as such term is described in Section 1.2(a);

vii. Bank shall have determined in its sole discretion that the undisbursed funds allocated to the Interest Reserve are sufficient to pay all anticipated interest payments due on the Loan until the First Extended Termination Date (or prior to the Initial Termination Date, Borrower shall have deposited into the Equity Account of Project Fund established with Bank an amount determined by Bank as sufficient to make such interest payments, as determined by Bank, in its sole discretion);

viii. (i) Any outside date to convert the Loan set forth in the Partnership Agreement is not earlier than ninety (90) days after the First Extended Termination Date and (ii) the First Installment from Investor Limited Partner has been disbursed to pay approved Project costs set forth on the Development Budget;

ix. Any outside date to convert the Loan to the permanent phase or repay the Conventional Loan set forth in any Subordinated Loan Document or any HCD Document (and to reduce the Loan to an amount not to exceed the "Purchase Price" (as defined in the Bond Purchase Agreement)) shall be extended to a date not earlier than the First Extended Termination Date;

x. (i) The outside date for the full disbursement of the Program funds set forth on Exhibit A-5 to or otherwise under the HCD AHSC Grant Standard Agreement, (ii) the outside date for the full disbursement of Program funds set forth on Exhibit A to or otherwise in the HCD AHSC Loan Standard Agreement, or (iii) the outside date for the full disbursement of Program funds set forth in the HCD VHHP Standard Agreement, shall in each case, be extended to a date no earlier than June 30, 2021.

xi. Borrower shall have provided to Bank projections, operating statements, current leasing reports and rent rolls as required by Bank, demonstrating that (i) all "Conversion Conditions" (as defined in the Bond Purchase Agreement), (ii) all requirements for the Third Installment of Capital Contributions from Investor Limited Partner set forth in the Partnership Agreement, and (iii) all requirements for the funding of the HCD AHSC Loan and the HCD VHHP Loan, including the achievement of any loan-to-value and debt service coverage

requirements set forth in either the Bond Purchase Agreement, the Partnership Agreement and as originally underwritten by Bank, can each be reasonably achieved prior to the First Extended Termination Date (as determined by Bank, in its sole discretion);

xii. Whether or not the extension becomes effective, Borrower shall pay all out-of-pocket costs and expenses incurred by Bank in connection with the proposed extension (pre- and post-closing), including appraisal fees, environmental audit and legal fees; all such costs and expenses incurred up to the time of Bank's written agreement to the extension shall be due and payable prior to Bank's execution of that agreement (or if the proposed extension does not become effective, then upon demand by Bank), and any future failure to pay such amounts shall constitute a default under the Loan Documents;

xiii. All applicable regulatory requirements, including appraisal requirements, shall have been satisfied with respect to the extension;

xiv. Not later than the Initial Termination Date, (A) the extension shall have been consented to and documented to Bank's satisfaction by Borrower, each Guarantor, Bank, Investor Limited Partner, and all other parties deemed necessary by Bank (such as any permitted subordinate lienholders and permanent lenders (if any)); (B) the "Termination Date" under the Bond Purchase Agreement and any outside date to convert the Bond Loan or repay in full the Conventional Loan set forth in any Subordinate Loan Document shall be a date no earlier than the First Extended Termination Date; and (C) Bank shall have been provided with an updated title report and judgment and lien searches, and appropriate title insurance endorsements shall have been issued as required by Bank; and

xv. Not later than the Initial Termination Date, Borrower shall have paid to Bank any costs and expenses of Bank (including reasonable third party legal fees)."

(e) Section 2.1(d) to the Construction Disbursement Agreement is hereby amended and restated and replaced in its entirety with the following:

"(d) Bank shall grant a request by Borrower to extend the Termination Date from First Extended Termination Date to June 1, 2021 (the '**Second Extended Termination Date**'), upon and subject to the following terms and conditions:

i. Borrower shall request the extension, if at all, by written notice to Bank not more than ninety (90) days, and not less than thirty (30) days, prior to the First Extended Termination Date;

ii. At the time of the request, Completion of the Improvements and completion of the HCD AHSC Grant Work shall have occurred and Borrower shall have met all deadlines set forth on the Pro-Forma Schedule attached hereto as Exhibit F, as determined by Bank;

iii. At the time of the request, and at the time of the extension, there shall not exist any default or any condition or state of facts which after notice and/or lapse of time would reasonably constitute a default under any Loan Document;

iv. Current financial statements regarding Borrower (dated not earlier than thirty (30) days prior to the request for extension) and all other financial statements and other information as may be required under the Loan Documents regarding Borrower, each Guarantor and the Property shall have been submitted promptly to Bank;

v. In the reasonable opinion of Bank, there shall not have occurred any material adverse change in the business or financial condition of Borrower or any Guarantor or in the Property or in any other state of facts submitted to Bank in connection with the Loan Documents, from that which existed on the date of this Agreement;

vi. The Loan, as of the First Extended Termination Date is "in-balance" as such term is described in Section 1.2(a);

vii. Bank shall have determined in its sole discretion that the undisbursed funds allocated to the Interest Reserve are sufficient to pay all anticipated interest payments due on the Loan until the Second Extended Termination Date (or prior to the First Extended Termination Date, Borrower shall have deposited into the Equity Account of Project Fund established with Bank an amount determined by Bank as sufficient to make such interest payments, as determined by Bank, in its sole discretion);

viii. As of the original First Extended Termination Date, not less than ninety percent (90%) of the Project's residential housing units shall be leased to, and occupied by, third-party tenants under written leases complying with the terms of this Agreement and the Restrictions;

ix. (i) Any outside date to convert the Loan set forth in the Partnership Agreement is not earlier than ninety (90) days after the Second Extended Termination Date and (ii) the First Installment of Capital Contributions from Investor Limited Partner have been disbursed to pay approved Project costs set forth on the Development Budget;

x. (i) The outside date for the full disbursement of the Program funds set forth on Exhibit A-5 to or otherwise under the HCD AHSC Grant Standard Agreement, (ii) the outside date for the full disbursement of Program funds set forth on Exhibit A to or otherwise in the HCD AHSC Loan Standard Agreement, or (iii) the outside date for the full disbursement of Program funds set forth in the HCD VHHP Standard Agreement, shall in each case, be extended to a date no earlier than June 30, 2021.

xi. Any outside date to convert the Loan to the permanent phase or repay the Conventional Loan set forth in any Subordinated Loan Document or any HCD Document (and to reduce the Loan to an amount not to exceed the "Purchase Price" (as defined in the Bond Purchase Agreement)) shall be extended to a date not earlier than the Second Extended Termination Date;

xii. Borrower shall have provided to Bank projections, operating statements, current leasing reports and rent rolls as required by Bank, demonstrating that (i) all "Conversion Conditions" (as defined in the Bond Purchase Agreement), (ii) all requirements for the Third Installment of Capital Contributions from Investor Limited Partner set forth in the Partnership Agreement, and (iii) all requirements for the funding of the HCD AHSC Loan and the HCD VHHP Loan, including the achievement of any loan-to-value and debt service coverage requirements set forth in either the Bond Purchase Agreement, the Partnership Agreement and as originally underwritten by Bank, can each be reasonably achieved prior to the Second Extended Termination Date (as determined by Bank, in its sole discretion);

xiii. Whether or not the extension becomes effective, Borrower shall pay all out-of-pocket costs and expenses incurred by Bank in connection with the proposed extension (pre- and post-closing), including appraisal fees, environmental audit and legal fees; all such costs and expenses incurred up to the time of Bank's written agreement to the extension

shall be due and payable prior to Bank's execution of that agreement (or if the proposed extension does not become effective, then upon demand by Bank), and any future failure to pay such amounts shall constitute a default under the Loan Documents;

xiv.All applicable regulatory requirements, including appraisal requirements, shall have been satisfied with respect to the extension;

xv.Not later than the First Extended Termination Date, (A) the extension shall have been consented to and documented to Bank's satisfaction by Borrower, each Guarantor, Bank, Investor Limited Partner, and all other parties deemed necessary by Bank (such as any permitted subordinate lienholders and permanent lenders (if any)); (B) the "Termination Date" under the Bond Purchase Agreement and any outside date to convert the Bond Loan or repay in full the Conventional Loan set forth in any Subordinate Loan Document shall be a date no earlier than the Second Extended Termination Date; and (C) Bank shall have been provided with an updated title report and judgment and lien searches, and appropriate title insurance endorsements shall have been issued as required by Bank;

xvi.Not later than the First Extended Termination Date, the HCD AHSC Grant Work shall have been completed as determined by Bank and all HCD AHSC Grant proceeds shall have been disbursed by HCD and applied to repay the costs of the construction of such HCD AHSC Grant Work; and

xvii.Not later than the First Extended Termination Date, Borrower shall have paid to Bank a non-refundable extension fee in an amount equal to one quarter of one percent (0.25%) of the aggregate of (i) the outstanding principal balance of the Bond Note and the outstanding principal balance of the Conventional Note, plus (ii) any then undisbursed but committed amount of either the Bond Loan and the Conventional Loan, and shall have paid to Bank any other costs and expenses of Bank (including reasonable third party legal fees)."

(f) Section 3.8 of Exhibit E to the Construction Disbursement Agreement is hereby amended and restated and replaced with the following:

"3.8 Disbursements of Developer Fee. Subject to all conditions to disbursement of Loan proceeds set forth herein, Bank shall consent to the following disbursements from the developer fee line item on the Development Budget: (i) \$420,000 of the amount set forth on the Development Budget concurrent with the issuance of the Bond, and (ii) an additional \$980,000 of the amount set forth in the Development Budget shall be available for disbursement following the repayment of the Conventional Loan and the satisfaction of all Conditions to Conversion set forth in the Bond Purchase Agreement and the occurrence of the Conversion Date. The remaining \$1,100,000 of the amount allocated to the developer fee line item shall be deferred and shall be solely available following the Conversion Date from either net cash flow from the Project or capital contributions from Investor Limited Partner."

(g) The Development Budget set forth on Exhibit D to the Construction Disbursement Agreement is hereby amended and restated in its entirety with Exhibit A attached hereto.

(h) The Pro Forma Schedule set forth on Exhibit F to the Construction Disbursement Agreement is hereby amended and restated and replaced in its entirety with Exhibit B attached hereto.

4. Amended and Restated Conventional Note. As a condition to the effectiveness of this Amendment, Borrower shall execute that certain Amended and Restated Promissory Note (Conventional Loan) in favor of Conventional Lender in the face principal amount of Thirteen Million Four Hundred Twenty-Three Thousand Three Hundred Sixty-Seven and No/100th Dollars (\$13,423,367) (the "**Amended and Restated Conventional Note**"), in the form attached hereto as Exhibit C, which shall amend and restate in its entirety, the Original Conventional Note.

5. First Amendment to Deed of Trust. As a condition to the effectiveness of this Amendment, (i) Borrower shall execute that certain First Amendment to Deed of Trust dated as of even date herewith ("**First Amendment to Deed of Trust**"), in the form attached hereto as Exhibit D, and (ii) the First Amendment to Deed of Trust shall have recorded in the Official Records.

6. Conforming Changes.

(a) Each reference in the Loan Documents to the Construction Disbursement Agreement shall, effective upon the execution of this Agreement and the satisfaction of the conditions precedent set forth below, be deemed a reference to the Construction Disbursement Agreement as amended by this Amendment.

(b) Each reference in the Loan Documents to the Conventional Note shall, effective upon the execution of this Agreement and the satisfaction of the conditions precedent set forth below, be deemed a reference to the Amended and Restated Conventional Note.

(c) Each reference in the Loan Documents to the Deed of Trust shall, effective upon the execution of this Agreement and the satisfaction of the conditions precedent set forth below, be deemed a reference to the Original Deed of Trust, as assigned by the Assignment to Deed of Trust and as amended by the First Amendment to Deed of Trust.

(d) Each reference in the Loan Documents to the "Loan Documents" shall, effective upon the execution of this Agreement and the satisfaction of the conditions precedent set forth below, be deemed a reference to the Loan Documents as amended by this Amendment and shall include this Amendment.

7. Conditions Precedent. Before this Amendment becomes effective and Bank becomes obligated under it, all of the following conditions (collectively, "**Conditions Precedent**") must be satisfied, at Borrower's sole cost and expense and in a manner acceptable to Bank in the exercise of Bank's sole judgment, on or before _____, 2019:

(a) No Default or event or condition which, with the giving of notice or the passage of time, or both, would constitute a Default, shall have occurred and be continuing, and Bank shall have received a certification to that effect signed by Borrower;

(b) No material adverse change in the financial condition of Borrower, General Partners or Guarantor shall have occurred since the date of the financial statements for each of those parties was delivered to Bank in connection with the execution of the Loan Documents;

(c) Issuer shall have reissued the Bond and Bank shall have received an updated opinion of Bond Counsel that regardless of the amendments referenced herein, the interest on the Bond shall continue to be exempt from federal taxation;

(d) Bank shall have received the fully-executed Supplemental Indenture in a form and substance approved by Bank;

(e) (i) Borrower shall have executed and delivered to the Amended and Restated Conventional Note and Borrower, Conventional Lender and Bond Lender shall have executed and delivered the First Amendment to Deed of Trust, and (ii) the First Amendment to Deed of Trust shall have recorded in the Official Records;

(f) Borrower, Majority Owner and CCRC shall have executed the First Amendment to Bond Purchase Agreement in a form and substance approved by Bank and CCRC shall have confirmed in writing that the conditions precedent to the effectiveness of the First Amendment to Bond Purchase Agreement have been satisfied;

(g) Borrower shall have delivered to Bank all other documents, instruments, agreements, certificates and opinions of counsel reasonably required by Bank;

(h) Davis Wright Tremaine LLP shall have received payment from Borrower in the amount of _____ and No/100th Dollars (\$_____) which represents Bank's and CCRC's legal fees in connection with this Amendment;

(i) Borrower shall have paid all applicable fees and expenses incurred by Issuer in connection with the reissuance of the Bond, including the fees and expenses of the Issuer's bond counsel;

(j) Lender shall have received, at Borrower's cost, such assurance as Lender may require that the validity and priority of the Deed of Trust has not been and will not be impaired by this Amendment or the transactions contemplated by it, including the issuance of (x) a CLTA Title Endorsement 110.5 in form and substance satisfactory to Lender, and (y) an endorsement increasing the total policy insured amount to at least \$41,923,367, in each case, to be attached to Title Policy No. _____ - dated _____, issued by Old Republic Title Company (the "**Title Policy**") referencing the Original Deed of Trust, as amended by the First Amendment to Deed of Trust, as the insured mortgage;

(k) General Partner and Guarantor shall have each executed and delivered to Lender the consents in the forms attached hereto. In addition, Investor shall have consented to this Amendment in writing in a form reasonably acceptable to Lender;

(l) The City of Los Angeles acting by and through its Department of Housing and Community Investment Department ("**LAHCID**"), the California Housing and Finance Agency ("**CALHFA**"), General Partner, in its capacity as a subordinate lender (in such capacity, "**Sponsor**"), CCRC, the State of California acting by and through its Department of Housing and Community Development ("**HCD**") and Bond Trustee shall have each executed the applicable consent attached hereto;

(m) Investor Limited Partner shall have committed in writing to the increase in the Capital Contributions described herein and shall have extended in writing any date set forth in the Partnership Agreement for the completion of the Project to a date not earlier than July 31, 2020, in each case in a form and substance approved by Bank; and

(n) Any outside date to complete the Project set forth in the AHAP and/or the DHS Subsidy Documents shall be extended to a date not earlier than July 31, 2020.

8. Borrower's Representations and Warranties. Borrower represents and warrants to Bank as follows:

(a) Loan Documents. All representations and warranties made and given by Borrower in the Loan Documents are true, accurate and correct.

(b) No Default. No Event of Default has occurred and is continuing, and no event has occurred and is continuing which, with notice or the passage of time or both, would be an Event of Default.

(c) Property. Borrower lawfully possesses and holds fee interest to all of the Property which is real property, the Deed of Trust is a prior lien on that property, subject only to the exceptions originally shown on Schedule B, Part I of the Title Policy. Borrower owns all of the Property which is personal property free and clear of any reservations of title and conditional sales contracts, and also of any security interests other than the Deed of Trust and any deed of trust originally shown on Schedule B, Part I of the Title Policy. There is no financing statement affecting any Property on file in any public office except for financing statements in favor of Lender and as otherwise permitted under the terms of the Loan Documents.

(d) Borrowing Entity. Borrower is a limited partnership which is duly organized and validly existing under the laws of the State of California. Except as otherwise indicated herein, there have been no changes in the organization, composition, ownership structure or formation documents of Borrower since the recordation of the Deed of Trust.

(e) General Partner and Investor Limited Partner. General Partner is the only general partner of the Borrower. Investor Limited Partner is the only limited partner of the Borrower. There have been no changes in the organization, composition, ownership structure or formation documents of the General Partner since the recordation of the Deed of Trust.

9. Incorporation. This Amendment shall form a part of each Loan Document, and all references to a given Loan Document shall mean that document as hereby modified.

10. No Prejudice; Reservation of Rights. This Amendment shall not prejudice any rights or remedies of Lender under the Loan Documents. Lender reserves, without limitation, all rights which it has against any indemnitor, guarantor, or endorser of the Loan Agreement.

11. No Impairment. Except as specifically hereby amended, the Loan Documents shall each remain unaffected by this Amendment and all such documents shall remain in full force and effect.

12. Purpose and Effect of Bank's Approval. Bank's approval of any matter in connection with the Loans shall be for the sole purpose of protecting Bank's security and rights. No such approval shall result in a waiver of any default of Borrower. In no event shall Bank's approval be a representation of any kind with regard to the matter being approved.

13. Disclosure to Title Company. Without notice to or the consent of Borrower, Bank may disclose to any title insurance company which insures any interest of Bank under the Deed of Trust (whether as primary insurer, coinsurer or reinsurer) any information, data or material in Bank's possession relating to Borrower, the Loan, the Improvements or the Property.

14. Release. Borrower releases Issuer, Bond Trustee, Conventional Lender, Bond Lender, Majority Owner, Servicer, and their respective parents, subsidiaries, affiliates and their

respective agents, employees, directors, officers, members, shareholders and their successors and assigns (collectively, the "**Lender Parties**") from and against any and all acts, causes of action, suits, obligations, liabilities, demands, damages, cost or expense or other claims of Borrower of any nature whatsoever, sounding in tort, contract, equity or otherwise, known or unknown, fixed or contingent (collectively, the "**Liabilities**"), which arose or will arise on or before the effective date of this Amendment from or out of, or are based upon or in any way related to the Loan Documents, the Loans, the administration of the Loans, this Amendment, the negotiation of this Amendment or the Property, including but not limited, to any act, actions, payment to be made and performed under the Loan Documents, or any representation, warranty, express or implied, made with respect thereto or thereunder.

Borrower waives any rights it may have under Section 1542 of the California Civil Code, which reads:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

Borrower understands that it may later discover facts in addition to or different from the facts it now believes to be true and that it may later discover claims it does not now suspect. The parties intend for this release to operate as a final and irrevocable release of all of Borrower's claims above described, and accordingly agree that this release may not be terminated or rescinded because of any later discovery by Borrower of different or additional facts or any unknown or unsuspected past claim.

Borrower represents and warrants that it has not heretofore assigned or transferred, or purported to assign or transfer, to any person or entity any matter released hereby or any portion thereof or interest therein and shall indemnify, defend and hold the Lender Parties harmless from and against any and all claims based on or arising out of any such assignment or transfer or purported assignment or transfer.

Initials

15. Integration. The Loan Documents, including this Amendment: (a) integrate all the terms and conditions mentioned in or incidental to the Loan Documents; (b) supersede all oral negotiations and prior and other writings with respect to their subject matter; and (c) are intended by the parties as the final expression of the agreement with respect to the terms and conditions set forth in those documents and as the complete and exclusive statement of the terms agreed to by the parties. If there is any conflict between the terms, conditions and provisions of this Amendment and those of any other agreement or instrument, including any of the other Loan Documents, the terms, conditions and provisions of this Amendment shall prevail.

16. Miscellaneous. This Amendment and any attached consents or exhibits requiring signatures may be executed in counterparts, and all counterparts shall constitute but one and the same document. If any court of competent jurisdiction determines any provision of this Amendment or any of the other Loan Documents to be invalid, illegal or unenforceable, that portion shall be deemed severed from the rest, which shall remain in full force and effect as though the invalid, illegal or unenforceable portion had never been a part of the Loan Documents. This Amendment shall be governed by the laws of the State of California, without regard to the

choice of law rules of that State. As used here, the word "include(s)" means "includes(s), without limitation," and the word "including" means "including, but not limited to."

17. Consent of Majority Owner. By its signature hereto, the Majority Owner hereby consents to the amendments (as set forth herein) to the Loan Documents (as defined in the Indenture) and waives any notice required under Section 8.06 of the Indenture for this Amendment or the Supplemental Indenture.

[Signature page follows]

IN WITNESS WHEREOF, Borrower and Bank have executed this Amendment as of the date first set forth above.

BORROWER:

METRO VILLAS PHASE 2 LOS ANGELES, LP,
a California limited partnership

By: PV Metro Villas Phase 2 GP, LLC,
a California limited liability company,
its managing general partner

By: PATH Ventures,
a California nonprofit public benefit corporation,
its sole member

By: _____
Allison Riley
Managing Director,
Real Estate Development

BANK:

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

By: _____
Michael K. Petty
Senior Vice President

EXHIBIT A

DEVELOPMENT BUDGET

[See Attached]

Exhibit A

EXHIBIT B

PRO FORMA SCHEDULE

Receive temporary certificate of occupancy for all Improvements	May 31, 2020
Lien-free Completion of all Improvements and all HCD AHSC Grant Work relating to the Sustainable Transportation Infrastructure Grant	July 31, 2020
Improvements are 90% leased and occupied by third-party tenants under leases in compliance with the Loan Documents	August 31, 2020

EXHIBIT C

FORM OF AMENDED AND RESTATED CONVENTIONAL NOTE

[See Attached]

Exhibit C

EXHIBIT D

FORM OF FIRST AMENDMENT TO DEED OF TRUST

[See Attached]

Exhibit D

GENERAL PARTNER CONSENT AND WAIVER

The undersigned partners hereby consent to the terms, conditions and provisions of (i) the foregoing First Amendment to Loan Documents and the transactions contemplated by that agreement, (ii) the Amended and Restated Conventional Note, and (iii) the First Amendment to Deed of Trust (collectively, the "**Amendment Documents**"). General Partner hereby reaffirms the full force and effectiveness of (i) the Security Agreement, and (ii) State Tax Credit Pledge Agreement (collectively, the "**General Partner Documents**"). In addition, General Partner acknowledges that its obligations under the General Partner Documents are separate and distinct from those of Borrower under the Loan Documents. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the foregoing First Amendment to Loan Documents.

Dated: November __, 2019

GENERAL PARTNER:

PV METRO VILLAS PHASE 2 GP, LLC,
a California limited liability company

By: PATH Ventures,
a California nonprofit public benefit corporation,
its sole member

By: _____
Allison Riley
Managing Director,
Real Estate Development

Consent (GP)

GUARANTORS' CONSENT

PATH VENTURES, a California nonprofit public benefit corporation, and PATH, a California nonprofit public benefit corporation (collectively, "**Guarantor**"), each hereby consent to the terms, conditions and provisions of (i) the foregoing First Amendment to Loan Documents and the transactions contemplated by that agreement, (ii) the Amended and Restated Conventional Note, and (iii) the First Amendment to Deed of Trust (collectively, the "**Amendment Documents**"). Guarantor hereby reaffirms the full force and effectiveness of (i) that certain Payment Guaranty dated as of December 1, 2017, made by Guarantor in favor of Lender, that certain Completion Agreement dated as of December 1, 2017, made by Guarantor in favor of Lender, and (ii) that certain Indemnity Agreement (Third-Party Indemnity) dated as of December 1, 2017, executed by Guarantor in favor of Lender (collectively, the "**Guarantor Documents**"). In addition, Guarantor acknowledges that its obligations under the Guarantor Documents are separate and distinct from those of Borrower. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the foregoing First Amendment to Loan Documents.

Dated: November __, 2019

GUARANTOR:

PATH VENTURES,

a California nonprofit public benefit corporation

By: _____
Allison Riley
Managing Director,
Real Estate Development

PATH,

a California nonprofit public benefit corporation

By: _____
Joel John Roberts
Chief Executive Officer

Consent (Guarantor)

LIMITED PARTNER CONSENT

The undersigned partner hereby consents to the terms, conditions and provisions of (i) the foregoing First Amendment to Loan Documents and the transactions contemplated by that agreement, (ii) the Amended and Restated Conventional Note, (iii) the First Amendment to Deed of Trust, and (iv) the First Amendment to Bond Purchase Agreement (collectively, the "**Amendment Documents**").

Dated: November __, 2019

INVESTOR:

NEF ASSIGNMENT CORPORATION

By: _____
Name: _____
Title: _____

Consent (Investor)

JUNIOR LIENHOLDER'S CONSENT

City of Los Angeles acting by and through its Los Angeles Housing and Community Investment Department ("**Junior Lienholder**") hereby (i) consents to all of the terms and provisions of (i) the foregoing First Amendment to Loan Documents and the transactions contemplated by that agreement, (ii) the Amended and Restated Conventional Note, (iii) the First Amendment to Deed of Trust, and (iv) the First Amendment to Bond Purchase Agreement (collectively, the "**Amendment Documents**"), including, but not limited to, the increase in the principal amount of the Conventional Loan from \$12,587,844 to \$13,423,367, and the increase in the Bond Loan following the Conversion Date (as defined in the Bond Purchase Agreement) from \$1,000,000 to \$2,320,000, (ii) acknowledges and agrees that the Subordination Agreement ("**Subordination Agreement**") dated as of December 1, 2017, among Borrower, Bond Lender, Conventional Lender and Junior Lienholder, and recorded on _____ as Instrument No. _____ in the Official Records, is and shall remain in full force and effect, and that none of the terms of the foregoing First Amendment or the other Amendment Documents shall be construed to impair, or provide a defense to, any of the terms and provisions contained in the Subordination Agreement, (iii) acknowledges and agrees that the priority of the Deed of Trust shall not be impaired as a result of the foregoing First Amendment or the other Amendment Documents, and (iv) acknowledges and agrees that the lien or charge of the Deed of Trust shall at all times remain senior to the liens or charges of the "Subordinate Loan Documents" described in the Subordination Agreement. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the foregoing First Amendment.

Dated: November __, 2019

JUNIOR LIENHOLDER:

CITY OF LOS ANGELES

By: **LOS ANGELES HOUSING AND COMMUNITY INVESTMENT DEPARTMENT**

By: _____
Sean L. Spear
Assistant General Manager

APPROVED AS TO FORM:

MICHAEL N. FEUER, City Attorney

By: _____
Deputy/ Assistant City Attorney

Date: _____

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By: _____
Deputy City Clerk

Consent (City of LAHCID)

JUNIOR LIENHOLDER CONSENT AND WAIVER

California Housing Finance Agency, a public instrumentality and political subdivision of the State of California ("**Junior Lienholder**") hereby (i) consents to all of the terms and provisions of (i) the foregoing First Amendment to Loan Documents and the transactions contemplated by that agreement, (ii) the Amended and Restated Conventional Note, (iii) the First Amendment to Deed of Trust, and (iv) the First Amendment to Bond Purchase Agreement (collectively, the "**Amendment Documents**"), including, but not limited to, the increase in the principal amount of the Conventional Loan from \$12,587,844 to \$13,423,367, and the increase in the Bond Loan following the Conversion Date (as defined in the Bond Purchase Agreement) from \$1,000,000 to \$2,320,000, (ii) acknowledges and agrees that the Subordination Agreement ("**Subordination Agreement**") dated as of December 1, 2017, among Borrower, Bond Lender, Conventional Lender and Junior Lienholder, and recorded on _____ as Instrument No. _____ in the Official Records, is and shall remain in full force and effect, and that none of the terms of the foregoing First Amendment or the other Amendment Documents shall be construed to impair, or provide a defense to, any of the terms and provisions contained in the Subordination Agreement, (iii) acknowledges and agrees that the priority of the Deed of Trust shall not be impaired as a result of the foregoing First Amendment or the other Amendment Documents, and (iv) acknowledges and agrees that the lien or charge of the Deed of Trust shall at all times remain senior to the liens or charges of the "Subordinate Loan Documents" described in the Subordination Agreement. Notwithstanding anything to the contrary set forth in that certain SNHP Regulatory Agreement dated as of _____, by and between Junior Lienholder and Borrower, Junior Lienholder hereby approves the increase of the debt service payment due and payable annually on the Bond Loan following the Conversion Date (as defined in the Bond Purchase Agreement) from \$ _____ to \$ _____. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the foregoing First Amendment.

Dated: November __, 2019

JUNIOR LIENHOLDER:

CALIFORNIA HOUSING FINANCE AGENCY,
a public instrumentality and political subdivision
of the State of California

By: _____
Name: _____
Title: _____

Consent (CALHFA)

JUNIOR LIENHOLDER'S CONSENT

PV METRO VILLAS PHASE 2 GP, LLC, a California limited liability company ("**Junior Lienholder**") hereby (i) consents to all of the terms and provisions of (i) the foregoing First Amendment to Loan Documents and the transactions contemplated by that agreement, (ii) the Amended and Restated Conventional Note, (iii) the First Amendment to Deed of Trust, and (iv) the First Amendment to Bond Purchase Agreement (collectively, the "**Amendment Documents**"), including, but not limited to, the increase in the principal amount of the Conventional Loan from \$12,587,844 to \$13,423,367, and the increase in the Bond Loan following the Conversion Date (as defined in the Bond Purchase Agreement) from \$1,000,000 to \$2,320,000, (ii) acknowledges and agrees that the Subordination Agreement ("**Subordination Agreement**") dated as of December 1, 2017, among Borrower, Bond Lender, Conventional Lender and Junior Lienholder, and recorded on _____ as Instrument No. _____ in the Official Records, is and shall remain in full force and effect, and that none of the terms of the foregoing First Amendment or the other Amendment Documents shall be construed to impair, or provide a defense to, any of the terms and provisions contained in the Subordination Agreement, (iii) acknowledges and agrees that the priority of the Deed of Trust shall not be impaired as a result of the foregoing First Amendment or the other Amendment Documents, and (iv) acknowledges and agrees that the lien or charge of the Deed of Trust shall at all times remain senior to the liens or charges of the "Subordinate Loan Documents" described in the Subordination Agreement. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the foregoing First Amendment.

Dated: November __, 2019

JUNIOR LIENHOLDER:

PV METRO VILLAS PHASE 2 GP, LLC,
a California limited liability company

By: PATH Ventures,
a California nonprofit public benefit corporation,
its sole member

By: _____
Allison Riley
Managing Director,
Real Estate Development

Consent (Sponsor)

HCD'S CONSENT

The undersigned hereby consents to the terms, conditions and provisions of (i) the foregoing First Amendment to Loan Documents and the transactions contemplated by that agreement, (ii) the Amended and Restated Conventional Note, (iii) the First Amendment to Deed of Trust, and (iv) the First Amendment to Bond Purchase Agreement (collectively, the "**Amendment Documents**"), including, but not limited to, the increase in the principal amount of the Conventional Loan from \$12,587,844 to \$13,423,367, and the increase in the Bond Loan following the Conversion Date (as defined in the Bond Purchase Agreement) from \$1,000,000 to \$2,320,000. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the foregoing First Amendment.

Dated: November ___, 2019

HCD:

**STATE OF CALIFORNIA DEPARTMENT OF
HOUSING AND COMMUNITY DEVELOPMENT**

By: _____
Name: _____
Title: _____

Consent (HCD)

PERMANENT LENDER'S CONSENT

The undersigned hereby consents to the terms, conditions and provisions of (i) the foregoing First Amendment to Loan Documents and the transactions contemplated by that agreement, (ii) the Amended and Restated Conventional Note, and (iii) the First Amendment to Deed of Trust (collectively, the "**Amendment Documents**"). All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the foregoing First Amendment.

Dated: November ___, 2019

PERMANENT LENDER:

CALIFORNIA COMMUNITY REINVESTMENT CORPORATION,
a California nonprofit public benefit corporation

By: _____
Maria A. Majczinger
Senior Vice President

Consent (CCRC)

CONSENT

Bond Trustee, in its capacity as Bond Lender and holder of a beneficial interest under the Loan Documents, hereby consents to the terms, conditions and provisions of (i) the foregoing First Amendment to Loan Documents and the transactions contemplated by that agreement, (ii) the Amended and Restated Conventional Note, and (iii) the First Amendment to Deed of Trust (collectively, the "**Amendment Documents**"). All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the foregoing First Amendment.

Dated: November ____, 2019

BOND TRUSTEE AND BOND LENDER:

U.S. BANK NATIONAL ASSOCIATION,
a national banking association

By: _____
Julia Hommel
Vice President

Consent (Bond Lender)