[Attach Recorder's Cover Sheet]

REGULATORY AGREEMENT AND
DECLARATION OF RESTRICTIVE COVENANTS
(E Street- USVETS)

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This Regulatory Agreement and Declaration of Restrictive Covenants (this "Agreement") is dated as of November 18, 2025 ("Effective Date"), and is made and recorded by and between the San Bernardino County, a political subdivision of the State of California (the "County") and E Street Veterans Apartments, LP, a California limited partnership (the "Developer").

RECITALS

A. Capitalized terms used but not defined in these recitals are as defined in Article 1 of this Agreement. The Parties intend to refer to those definitions in connection with the use of capitalized terms in these Recitals.

B. The Developer owns or will own that certain real property located at 1351 North E Street, San Bernardino, San Bernardino County, State of California, as more fully described in the attached Exhibit A, incorporated herein by this reference (the "Property").

C. The Developer intends to construct an approximately twenty-nine (29) unit (excluding one (1) unrestricted manager's unit)] affordable rental housing development, including all common areas, plans, entitlements, appurtenances, improvement easements, buildings and fixtures associated with the Property (hereinafter referred to collectively as the "Improvements"). The Improvements and the Property are referred to as the "Development."

D. Under that certain Loan Agreement, of even date herewith (the "Funding Agreement), the County committed Five Million Dollars $5,000,000 of the County's General Housing Funds (the "County Funding") to fund eligible affordable housing activities.

E. The County has agreed to make the County Funding on the condition that Developer maintain and operate the Development in accordance with restrictions set forth in this Agreement and in the related documents evidencing the County Funding, including by restricting twenty-nine (29) units in the Development, in accordance with Section 2.1 hereof (the “Restricted Units”).

F. The Developer and the County desire to enter into this Agreement to set forth their agreement regarding the affordable housing restrictions with respect to the Development and to cause the affordable housing restrictions contained herein to run with the land, in satisfaction of the requirements under the Funding Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, incorporated herein by this reference, and the covenants and promises contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the Developer declares as follows:

ARTICLE 1
DEFINITIONS

Section 1.1 Definitions.

When used in this Agreement, the following terms have the following meanings:

(a) "Actual Household Size" means the actual number of persons in the applicable household.

(b) "Adjusted Income" means the total anticipated annual income of all persons in a household, as calculated using the guidelines provided in Exhibit D.

(c) "Agreement" means this Regulatory Agreement and Declaration of Restrictive Covenants.

(d) "Assumed Household Size" shall have the meaning set forth in Section 2.2(d). The definition is utilized to calculate affordable rent and is not intended to be a limit on the number of persons occupying a unit.

(e) "City" means the City of San Bernardino.

(f) "Completion Date" means the date a final certificate of occupancy, or equivalent document is issued by the City to certify that the Development may be legally occupied.

(g) "Completion of Construction" means the date the construction of the Improvements is completed as evidenced by the issuance of a certificate of occupancy or notice of completion or equivalent document issued by the City, to certify completion of the construction of the Improvements.

(h) "County" has the meaning set forth in the opening paragraph.

(i) "County Documents" means, collectively, this Agreement, the Funding Agreement, and the Deed of Trust.

(j) "County Funding" has the meaning set forth in Recital D, above.

(k) "CTCAC" means the California Tax Credit Allocation Committee.

(l) "Deed of Trust" means the Deed of Trust with Assignment of Rents, Security Agreement and Fixture Filing of even date herewith by and among Developer, as trustor, Commonwealth Land Title Company, as trustee, and the County, as beneficiary, that encumbers the Property to secure the County Funding and Developer's performance of the County Documents.

(m) "Development" has the meaning set forth in Paragraph D of the Recitals.

(n) "Eligible Participants" means either At Risk of Homelessness Households or Homeless Households referred by the County's Office of Homeless Services (OHS) through the Coordinated Entry System (CES) to Developer. All those participating with CES will need to apply to participate in the Homeless Management Information System (HMIS). Eligible Participants may also include veterans and their families that satisfy the eligibility requirements under the Veterans Housing and Homeless Prevention Program ("VHHP").

(o) "Funding Agreement" has the meaning set forth in Recital D, above.

(p) "HCD" means the State of California Department of Housing and Community Development.

(q) "Homeless Management Information System" or "HMIS" means a local database application used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of or homelessness in the County. HMIS is managed and operated by the County Office of Homeless Services (OHS).

(r) "HUD" means the United States Department of Housing and Urban Development.

(s) "Investor Limited Partner" means R4 ESCA Acquisition LP, the limited partner entity admitted to the Developer and benefiting from federal low-income housing tax credits established pursuant to Section 42 of the Internal Revenue Code of 1986, as amended.

(t) "Low Income Household" means (i) a household with an Adjusted Income that does not exceed the qualifying limits for lower income households, adjusted for Actual 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 HCD.

(u) "Low Income Rent" shall mean the maximum allowable rent for a Low Income Unit pursuant to Section 2.2(b) below.

(v) "Low Income Units" shall mean the Units, which, pursuant to Section 2.1 below, are required to be occupied by Low Income Households.

(w) "Management Agent" means the management agent retained by Developer and approved by the County in accordance with the provisions of Section 5.2 to manage the Development.

(x) "Rent" means the total monthly payments by the Resident of Locally Restricted Unit (other than the manager's 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 Developer, including parking, which are required of all residents, other than security deposits; (3) the County-approved utility allowance; 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 Developer, and paid by the Resident. In no event shall the Rent of a Unit exceed the amount permitted by the County pursuant to Section 2.2 hereof.

(y) "Resident" means a household legally occupying a Restricted Unit pursuant to a valid lease with Developer.

(z) "Restricted Unit" means the twenty-nine (29) units within the Development designated as financially assisted by the County pursuant to this Agreement.

(aa) "Term" means the term of this Agreement which commences as of the Effective Date and ends fifty-five years.

(bb) "Unit(s)" means one (1) or more of the units in the Development.

(cc) "Very Low Income Household" means a household with an Adjusted Income that does not exceed the qualifying limits for very low income households, adjusted for Actual 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 HCD.

(dd) "Very Low Income Rent" means the rent permitted to be charged for a Very Low Income Unit pursuant to Section 2.2(a) below.

Section 1.2 Exhibits

The following exhibits are attached to this Agreement and incorporated into this Agreement by this reference:

Exhibit A: Legal Description of the Property
Exhibit B: Schedule of Rents
Exhibit C: Certificates of Program Compliance
Exhibit D: Form of Certification of Resident Eligibility
Exhibit E: Calculation of Applicant Income
Exhibit F: Reporting Requirements

ARTICLE 2
AFFORDABILITY AND OCCUPANCY COVENANTS

Section 2.1 Occupancy Requirements.

(a) During the entire Term, Developer hereby agrees to provide the following "Restricted Units" for the entire Term of this Agreement:

(1) Very Low Income Units. Fifteen (15) Units, including twelve (12) one-bedroom Units and three (3) two-bedroom Units, shall be rented to and occupied by or, if vacant, available for occupancy by Very Low Income Households.

(2) Low Income Units. Fourteen (14) Units, including nine (9) one-bedroom Units and five (5) two-bedroom Units shall be rented to and occupied by or, if vacant, available for occupancy by Low Income Households

(b) One (1) two-bedroom Unit shall be available for designation as the manager's unit and shall not be restricted.

(c) Preservation of Affordable Units. In the event of a foreclosure of the approved senior loan prior to loan payoff or in the event of a material reduction or loss of the Section 8 subsidy, if applicable, then the County, the Developer, or the entity acquiring the Development at foreclosure shall apportion the affordability targeting as required under this subsection 2.1(c). After a foreclosure of the senior loan or deed in lieu of foreclosure or loss of Section 8 subsidy, will require the Developer or the Developer's successor in interest to provide the following: (i) fifteen (15) Low Income Units, including twelve (12) one-bedroom Unit and three (3) two-bedroom Units. Notwithstanding anything to the contrary herein, the County shall not impose any other restrictions on any other Units at the Development post foreclosure or in the event of a material reduction or loss of the Section 8 subsidy other than as required under this subsection 2.1(c) and the parties agree to meet and confer with the entity acquiring the Development to determine a mutually acceptable transition plan approved by the County showing how the Rent increase will be phased-in, and which Units will be subject to the increase, and, if applicable, be consistent with remedial measures set forth in California Code of Regulations Title 4, Division 17, Chapter 1, Section 10337(a)(3) or successor regulation applicable to California’s Federal and State Low Income Housing Tax Credit Program.

Section 2.2 Allowable Rent.

(a) Very Low Income Rent. Subject to Section 2.3 below, the Rent charged to Residents of the Very Low Income Units, shall not exceed one-twelfth ($1/12^{th}$) of thirty percent (30%) of fifty percent (50%) of Area Median Income, adjusted for Assumed Household Size.

(b) Low Income Rent. Subject to Section 2.3 below, the Rent charged to Residents of the Low Income Units, shall not exceed one-twelfth ($1/12^{th}$) of thirty percent (30%) of sixty percent (60%) of Area Median Income, adjusted for Assumed Household Size.

(c) No Additional Fees. Developer may not charge any fee, other than Rent, to any Resident of the Restricted Units for any housing or other services provided by Developer.

(d) Assumed Household Size. In calculating the allowable Rent for the Restricted Units, the following "Assumed Household Sizes" shall be determined pursuant to the terms of Health and Safety Code Section 50052.5(h) (as shown in the second column), unless the Development receives an allocation of Low Income Housing Tax Credits, in which instance the imputed household size would be as listed in the third column below:

Number of Bedrooms	Assumed Household Size	Tax Credit Household Size
One	2	1.5
Two	3	3
Three	4	4.5

(e) The initial rent for the Restricted Units shall be approved by the County prior to occupancy. A schedule of current affordable rents is attached as Exhibit B. All Rent increases shall also be subject to approval by the County. No later than November 1 of each calendar year, the County shall provide the Developer with a schedule of permissible maximum Very Low Income Rents and Low Income Rents for the succeeding year. Under no circumstance may Developer raise rents above the permissible maximum rents as allowed under the annual rent schedule provided by the County.

(f) Subject to Sections 2.2(a) and 2.2(b) above, the County may not unreasonably disapprove Initial Rents and Rents in subsequent years that are less than or equal to the maximum rent for the applicable year established by TCAC for tenants in an income tier under 30%, 50% or 60% of AMI ("Tax Credit Rents"). Notwithstanding anything to the contrary set forth herein, in the event that Area Median Incomes decrease in any given calendar year, Developer is permitted to apply the "hold harmless" policy ("Policy") implemented by CTCAC pursuant to the Housing and Economic Recovery Act of 2008 (H.R. 3221). The Policy states that, as of the date of placed-in-service, (or rent floor election date, available after CTCAC award/reservation), rent limits for a given calendar year cannot be lower than the highest amount of rent limits for each calendar year since placed-in-service.

Section 2.3 Rent Increases; Increased Income of Residents.

(a) Very Low Income to Low Income. If, upon recertification of a Resident's income, the Developer determines that a former Very Low Income Household's Adjusted Income has increased and exceeds the qualifying income for a Very Low Income Household, but does not exceed the qualifying limit for a Low Income Household, then, upon expiration of the Resident's lease:

(1) Such Resident's Unit may be considered a Low Income Unit;

(2) Such Resident's Rent may be increased to a Low Income Rent, upon sixty (60) days written notice to the Resident; and

(3) The Developer shall rent the next available Unit to a Very Low Income Household at a Very Low Income Rent or designate another comparable Unit that is occupied by a Very Low Income Household, to meet the requirements of Section 2.1 above.

(b) Non-Qualifying Household. If, upon the annual certification of the income of a Resident's income, the Developer determines that a former Low Income Household's Adjusted Income has increased above the qualifying limit for a Low Income Household, the Resident may continue to occupy the Unit. Upon the expiration of such Resident's lease: (1) upon sixty (60) days written notice, the Rent must be increased to the lesser of one-twelfth (1/12th) of thirty percent (30%) of the actual Adjusted Annual Income of the Resident, or fair market rent and (2) Developer shall rent the next available Unit to a Very Low Income Household or a Low Income Household as applicable to comply with the requirements of Section 2.1 above, at a Rent not exceeding the maximum Rent specified in Section 2.2, or re-designate another comparable Unit in the Development with a Very Low Income Household or Low Income Household as applicable.

(c) Termination of Occupancy. Upon termination of occupancy of a Locally Restricted Unit by a Resident, such Locally Restricted Unit will be deemed to be continuously occupied by a Low Income Household or Very Low Income Household, as applicable, until such Unit is reoccupied, at which time categorization of the Unit will be established based on the occupancy requirements of Section 2.1. In any event, Developer shall maintain the occupancy requirements set forth in section 2.1 above.

Section 2.4 Accessibility.

Developer shall cause the Development to be operated at all times in compliance with the provisions of: (i) the Unruh Act, (ii) the California Fair Employment and Housing Act, (iii) Section 504 of the Rehabilitation Act of 1973, (iv) the United States Fair Housing Act, as amended, and (v) the Americans With Disabilities Act of 1990. In compliance with Section 504 of the Rehabilitation Act, a minimum of two (2) Units in the Development, , representing five percent (5%) of the Units in the Development, shall be constructed to be readily accessible and usable by households with a mobility impaired member and a minimum of one (1) unit, representing two percent (2%) of the Units in the Development, shall be constructed and to be readily accessible and usable by households with a hearing or visually impaired member. . Not less than thirty (30) days from the Completion Date, the Developer shall deliver to the County a certification Project has been designed to comply with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794, et seq.) and the Uniform Federal Accessibility Standards (UFAS). Developer shall indemnify, protect, hold harmless and defend (with counsel reasonably satisfactory to the County) the County, and its board members, officers, and employees, from all suits, actions, claims, causes of action, costs, demands, judgments, and liens arising out of Developer's failure to comply with applicable legal requirements related to housing for persons with disabilities. The provisions of this subsection will survive expiration of the Term or other termination of this Agreement and remain in full force and effect.

Section 2.5 Eligible Participant Referrals.

(a) The Developer agrees that the Development will be occupied by Eligible Participants through the CES referral process that currently coordinates with the County Continuum of Care. All those participating with CES will need to apply to participate in the Homeless Management Information System (HMIS). Developer shall provide the County, for its review and approval, with the Developer's written Eligible Participant selection plan (the "Tenant Selection Plan").

(b) Developer must work in collaboration with CES and County Continuum of Care to ensure the screening, assessment, and referral of Eligible Participants.

(c) Developer agrees to receive referrals from CES prior to providing services with the exception of individuals receiving emergency assistance. In such cases, immediate services can be provided, but individuals and/or families must be referred by the Developer to CES for assessment and prioritization within seventy-two (72) hours. Developer understands that individuals and/or families may not be referred to Developer and may be referred to another service provider based upon the CES assessment.

(d) The Developer shall not discriminate against any applicants for tenancy on the basis of source of income or rent payment (for example, without limitation, Temporary Assistance for Needy Families (TANF) or Section 8), and the Developer shall consider a prospective Resident's previous rent history of at least one (1) year, or such other time period the Developer deems reasonable, as evidence of the prospective Resident's ability to pay the applicable Rent. Notwithstanding the foregoing, evidence of the prospective Resident 's ability to pay the applicable Rent shall be deemed to have been demonstrated if the prospective Resident can document that the prospective Resident 's gross income is at least two (2) times the prospective Rent. The Developer, in the reasonable exercise of its discretion, may waive the requirement that the prospective Resident 's gross income equal at least two (2) times the prospective Rent, and admit prospective Residents with lower gross incomes.

Section 2.6 Reporting Requirements. Developer shall submit to the County: (a) not later than the forty-fifth (45^{th}) day after the close of each calendar year, or such other date as may be requested by the County, a signed copy of the reporting information meeting the requirements set forth in the attached Exhibit F; and (b) within fifteen (15) days after receipt of a written request, any other information or completed forms requested by the County in order to comply with reporting requirements of HUD, the State of California, and the County, as applicable.

Section 2.7 Services Plan. The Developer will be providing on-site social services to all occupants of the Development (the "Social Services"). No later than six (6) months prior to the projected date of the Completion of Construction of each component of the Development, Developer shall submit to the County for approval a proposed services plan which shall include written guidelines or procedures for providing the Social Services (the "Services Plan"), and a proposed budget for the provision of Social Services in the Annual Operating Budget. For the entire Term of this Agreement, Developer shall provide the Social Services in accordance with the Services Plan reasonably approved by the County. Upon receipt of the proposed Services the County shall promptly review the proposed Services Plan and shall approve or disapprove the plan within thirty (30) days after submission. If the Services Plan is not approved, the Developer shall submit a revised Services Plan within thirty (30) days following the Developer's receipt of the County's written disapproval. If the County does not approve the revised Services Plan because the Developer fails to make specific revisions requested by the County, then the Resident Services Plan from the prior year shall remain in effect.

Section 2.8 Lease Provisions. The Developer shall include in leases for all Restricted Units provisions which authorize the Developer to immediately terminate the tenancy of any household one or more of whose members misrepresented any fact material to the household's qualification as a Very Low Income Household or Low Income Household, as applicable. Each lease or rental agreement shall also provide that the household is subject to annual certification in accordance with Section 3.1 below, and that, if the household's income increases above the applicable limits for a Very Low Income Household or Low Income Household, as applicable, such household's Rent may be subject to increase.

Section 2.9 Condominium Conversion. The Developer shall not convert the Development units to condominium or cooperative ownership or sell condominium or cooperative conversion rights to the Property during the Term of this Agreement.

Section 2.10 Resident Protections. For the entire Term the Restricted Units shall be subject to California Civil Code 1946.2, or successor provisions, ("Just Cause for Eviction"). Nothing in this section shall abrogate the protections afforded to survivors of violence consistent with the California Code of Civil Procedure Section 1161.3, as amended, and the Violence Against Women Act, Public Law 102-322, as amended, to the extent applicable. Notwithstanding the limitations of California Code of Civil Procedure Section 1161.3, as amended, act or acts constituting domestic violence or sexual assault or stalking against the Resident or a member of Resident's household cannot form the substantial basis of a Just Cause for Eviction to terminate the tenancy of the victim of such acts. A member of a Resident household may raise such facts as an affirmative defense to an action terminating the tenancy.

ARTICLE 3
INCOME CERTIFICATION AND REPORTING

Section 3.1 Income Certification. The Developer will obtain, and complete, as a condition to initial occupancy and maintain on file annually thereafter, income certifications from each Resident renting any of the Restricted Units. The Developer shall make a good faith effort to verify that the income provided by an applicant or occupying household (for all adults age eighteen (18) or older) in an income certification is accurate by obtaining an income tax return for the three most recent tax years, (or if no such tax return has been filed, another form of independent verification acceptable to the County) and one or more third party verifications of income including but not limited to: (1) one month's pay stub for the most recent pay period; (2) an income verification form from the applicant's current employer; (3) an income verification form from the Social Security Administration and/or the California Department of Social Services if the Eligible Purchaser receives assistance from either of such agencies; or (4) unemployment benefits; (5) profit and loss statement; (6) benefit statement; (7) asset statement.

Section 3.2 Annual Report to County.

(a) The Developer shall submit to the County: (a) not later than the ninetieth (90th) day after the close of each calendar year, or such other date as may be requested by the County, a statistical report, in a form acceptable to the County, including income and rent data for all Restricted Units, an assessment of compliance with the approved Management Plan, an evaluation of the Management Agent. The Annual Report shall, at a minimum, include the following most recent information for each Unit in the Project, but is not limited to: (i) unit number; (ii) number of bedrooms; (iii) current rent and other charges; (iv) dates of any vacancies during the previous year; (v) number of people residing in the unit; (vi) total gross household income of residents; (vii) documentation of source of household income; (viii) lease commencement and termination dates, (ix) initial move-in date, and (x) the information required by Section 3.1 any other information or completed forms requested by the County.

(b) In addition to the information described above, the Annual Report shall include the following:

(1) A Project income and expense statement for the reporting period;

(2) Proposed annual budget for the next fiscal year in accordance with Section 3.5 below;

(3) A report on maintenance and other issues anticipated to affect the current budget needs of the Project as well as the amount in the Project's reserve accounts and the amount expected to be needed for major repairs or other needs during the new fiscal year;

(4) Information on the status of the waiting list for Units; and

(5) A financial audit of the books and records of the Project prepared in accordance with generally accepted auditing standards by an independent certified public accountant. County may require the audit to be accompanied by a supplemental report prepared in accordance with County's requirements.

(6) From the effective date and through the first five years of operation, in addition to the report required under this Section, the Developer shall provide the Annual Report no later than July 30 of each consecutive year. The Annual Report shall be in a format provided by the County and will include a narrative account of the progress achieved toward the objectives in the Funding Agreement. The County will forward all reports submitted by the Developer under this Section to the Community Services Division staff liaison and the reporting requirements under the Funding Agreement.

Section 3.3 Additional Information. Within fifteen (15) days after receipt of a written request, the Developer shall provide any additional information reasonably requested by the County. The County shall have the right to examine and make copies of all books, records or other documents of the Developer which pertain to the Development.

Section 3.4 Records and Audits.

(a) The Developer shall maintain at the Development, or elsewhere with the County's written consent, complete, accurate and current records, books and accounts pertaining to the Development, and shall permit any duly authorized representative of the County to inspect records, including but not limited to records pertaining to income and household size of Residents, Rent charged Residents and affirmative marketing requirements. All Resident lists, applications and waiting lists relating to the Restricted Units shall at all times be kept separate and identifiable from any other business of the Developer and shall be maintained as required by the County, in a reasonable condition for proper audit and subject to examination during business hours by representatives of the County. The Developer shall retain copies of all materials obtained or produced with respect to occupancy of the Restricted Units for a period of at least five (5) years.

(b) The County shall notify Developer of any records it deems insufficient. Developer shall have thirty (30) calendar days after the receipt of such a notice to correct any deficiency in the records specified by the County in such notice, or if a period longer than thirty (30) days is reasonably necessary to correct the deficiency, then Developer shall begin to correct the deficiency within thirty (30) days and correct the deficiency as soon as reasonably possible.

(c) In addition, the County or any designated agent or employee of the County at any time shall be entitled to audit all of Developer's books, records (including tenant files), and accounts pertaining solely to the Locally Restricted Unit. Such audit shall be conducted during normal business hours at the principal place of business of Developer and other places where records are kept. Upon an event of default under this Agreement, the County or any designated agent or employee of the County shall be entitled to audit all of Developer's books, records (including Rental Restricted Unit tenant files only), and accounts pertaining to the Improvements, with the Developer's review limited to factors reasonably determined by the County to ascertain compliance pertaining the Locally Restricted Unit in compliance with the Ordinance.

(d) All records maintained by Developer pursuant to this Article 3 are to be: (1) maintained in compliance with all applicable HUD records and accounting requirements; and (2) open to and available for inspection and copying by HUD and its authorized representatives at reasonable intervals during normal business hours; provided however, records pertaining to Resident income verifications, Rents, and Development physical inspections must be kept for the most recent five (5) year period.

Section 3.5 Annual Operating Budget. The Developer, at least sixty (60) days prior to the end of each of the Developer's fiscal year, shall furnish the County an Annual Operating Budget. Upon receipt by the County of the proposed Annual Operating Budget, the County shall promptly review the same and approve or disapprove it within ten (10) business days. If the Annual Operating Budget is not approved by the County, the County shall set forth in writing and notify the Developer of the County's reasons for withholding such approval. The Developer shall thereafter submit a revised Annual Operating Budget for County approval, which approval shall be granted or denied within ten (10) business days in accordance with the procedures set forth above.

Section 3.6 On-site Inspection.

(a) The County shall have the right to perform an on-site inspection of the Development at least one (1) time per year upon forty-eight hours (48) prior notice. The Developer agrees to cooperate in such inspection.

(b) The County may perform, or cause to be performed, during normal business hours, an on-site inspection of the Development (including Restricted Units, subject to the rights of Residents) at least one (1) time per year upon no less than three (3) business days' prior written notice to Developer to monitor compliance with this Agreement. Developer shall cooperate in making the Development available for such inspection.

(c) After the completion of an inspection the County shall deliver a copy of the Uniform Physical Conditions Standards inspection report and the Multifamily Unit Inspection (Form 9602), as applicable, to the Developer. If the County determines as a result of such inspection that there are any life-threatening health and safety related deficiencies, Developer has the obligation to correct such deficiencies immediately. If the County determines as a result of the inspection that there are any deficiencies for any of the inspectable items in the Development (other than those identified in the preceding sentence), the Developer shall correct such deficiencies within thirty (30) days from the delivery of the inspection report or if a period longer than thirty (30) days is reasonably necessary to correct the deficiency, then Developer must begin to correct the deficiency within thirty (30) days and correct the deficiency as soon as reasonably possible. In addition, the Developer acknowledges that the County may re-inspect the Development to verify all deficiencies have been corrected or rely on third party documentation submitted by the Developer for non-hazardous deficiencies.

Section 3.7 Monitoring and Compliance Fee. In connection with this Agreement, County shall have the right to charge the Developer the monitoring and compliance fees set forth in 4.16(d) of the Loan Agreement.

Section 3.8 Use of Reserve Funds. The Developer agrees to create and maintain the reserves required by the Approved Financing (as defined in the Funding Agreement) and the reserves in the amounts approved by the County as part of the Development Budget submitted by the Developer pursuant to the terms of the Funding Agreement. The Developer shall notify the County of any withdrawals from the reserve accounts in excess of twenty-five thousand dollars ($25,000).

ARTICLE 4
OPERATION OF THE DEVELOPMENT

Section 4.1 Residential Use; Compliance with Funding Agreement.

During the Term, the Development will be operated residential use. No part of the Development shall be operated as transient housing in which the term of Resident occupancy is less than thirty (30) days. No part of the Development may be operated as an emergency shelter (including shelter for disaster victims) or facilities such as nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, halfway houses, housing for students, or dormitories (including farmworker dormitories).

Section 4.2 Taxes and Assessments. The Developer shall pay all real and personal property taxes, assessments, if any, and charges and all franchise, income, employment, old age benefit, withholding, sales, and other taxes assessed against it, or payable by it, at such times and in such manner as to prevent any penalty from accruing, or any lien or charge from attaching to the Development; provided, however, that the Developer shall have the right to contest in good faith, any such taxes, assessments, or charges. In the event the Developer exercises its right to contest any tax, assessment, or charge against it, the Developer, on final determination of the proceeding or contest, shall immediately pay or discharge any decision or judgment rendered against it, together with all costs, charges and interest.

Section 4.3 Section 8 Certificate Holders. The Developer will accept as residents, on the same basis as all other prospective residents, persons who are recipients of federal certificates or vouchers for rent subsidies pursuant to the existing housing program under Section 8 of the United States Housing Act, or its successor. Subject to the requirements of the VHHP Program, which shall apply to units assisted VHHP, Borrower may not apply selection criteria to Section 8 certificate or voucher holders that are more burdensome than criteria applied to all other prospective Tenants, nor will Borrower apply or permit the application of management policies or lease provisions with respect to the Project which have the effect of precluding occupancy of units by such prospective Tenants the Developer shall not apply selection criteria to Section 8 certificate or voucher holders that are more burdensome than criteria applied to all other prospective residents, nor shall the Developer apply or permit the application of management policies or lease provisions with respect to the Development which have the effect of precluding occupancy of units by such prospective residents. In determining a Section 8 certificate or voucher holders ability to pay Rent, the Developer shall determine the prospective resident's ability to make only the prospective resident's portion of the Rent.

Section 4.4 Management Responsibility.

The Developer agrees, for the entire Term of this Agreement, to maintain all interior and exterior improvements, including landscaping, on the Development in good condition and repair (and, as to landscaping, in a healthy condition), normal wear and tear excepted, and in accordance with all applicable laws, rules, ordinances, orders and regulations of all federal, state, county, municipal, and other governmental agencies and bodies having or claiming jurisdiction and all their respective departments, bureaus, and officials; in a decent, safe, sanitary condition and in good repair pursuant to the Uniform Physical Conditions Standards established by HUD pursuant to 24 C.F.R. 5.703. The Developer is responsible for all management functions with respect to the Development and shall keep the property in decent, safe, sanitary, tenantable condition and repair, and to permit no waste thereof. The County shall have no responsibility over management of the Development. Developer may retain a professional property management company, approved by the County in its reasonable discretion, to perform its management duties hereunder. A resident manager shall also be required. The Developer shall submit to the County an initial proposed Management Plan. The County shall approve or disapprove the proposed Management Plan in writing within fifteen (15) business days following the County's receipt of the proposed Management Plan, which approval shall not be unreasonably denied, conditioned or delayed. If the proposed Management Plan is disapproved by the County, the County shall deliver a written notice to Developer setting forth, in reasonable detail, the reasons for such disapproval. Developer shall have fifteen (15) business days following the receipt of such notice to submit a revised Management Plan modified any way necessary to ensure that such policies comply with the provisions of this Agreement. The County's approval of the amendments to the Management Plan shall not be unreasonably withheld, conditioned or delayed.

Section 4.5 Management Agent.

Developer shall cause the Development to be managed by an experienced management agent reasonably acceptable to the County (as approved, the "Management Agent"), with a demonstrated ability to operate residential facilities like the Development in a manner that will provide decent, safe, and sanitary housing. Developer shall provide the necessary professional staff to meet the needs of the Residents following the Housing First model (ex. Case managers, Clinicians, medical staff, peer advocates, employment specialists, and eligibility specialists). Throughout the Term, the Developer must have the readiness capacity to immediately perform and administer homeless efforts. The County hereby approves of United States Veteran Initiative, as the initial Management Agent for the Development. For any change in the Management Agent, the Developer shall submit for the County's approval the identity of any proposed Management Agent. The Developer shall also submit such additional information about the background, experience and financial condition of any proposed Management Agent as is reasonably necessary for the County to determine whether the proposed Management Agent meets the standard for a qualified Management Agent set forth above. If the proposed Management Agent meets the standard for a qualified Management Agent set forth above, the County shall approve the proposed Management Agent by notifying the Developer in writing.

Section 4.6 Periodic Performance Review. The County reserves the right to conduct a periodic review of the management practices and financial status of the Development within thirty (30) days after each anniversary of the occupancy date. The purpose of each periodic review will be to enable the County to determine if the Development is being operated and managed in accordance with the requirements and standards of this Agreement. Developer shall cooperate with the County in such reviews.

Section 4.7 Replacement of Management Agent.

(a) If, as a result of a periodic review, the County determines in its reasonable judgment that Development is not being operated and managed in accordance with any of the requirements and standards of this Agreement or the Standard Agreement, the County shall deliver notice to the Developer of such operational issues which notice shall describe the County's findings with specificity and the County may in same notice, notify the Developer its intention to cause replacement of the Management Agent. Within thirty (30) days of receipt by Developer of such written notice, County staff and Developer, and any partners of the Developer, shall meet in good faith to consider methods for improving the financial and operating status of the Development, including, without limitation, replacement of the Management Agent.

(b) If, after such meeting, County staff recommends in writing the replacement of the Management Agent, with the reasonable concurrence of the partners of the Developer, the Developer shall promptly dismiss the then Management Agent, and shall appoint as the Management Agent a person or entity meeting the standards for a Management Agent set forth in subsection (a) above and approved by the County pursuant to subsection (a) above.

Any contract for the operation or management of the Development entered into by the Developer shall provide that the contract can be terminated as set forth above. Failure to remove the Management Agent in accordance with the provisions of this Section shall constitute a Developer Event of Default under this Regulatory Agreement, and the County may enforce this provision through legal proceedings as specified in Section 6.7.

Section 4.8 Nondiscrimination.

(a) During the performance of this Agreement, Developer and its subrecipients shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, gender identity, gender expression, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), genetic information, marital status, military and veteran status, and denial of medical and family care leave or pregnancy disability leave. Developer and Developer's contract and subcontracts shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Developer and its subrecipients shall comply with the provisions of California's laws against discriminatory practices relating to specific groups: the California Fair Employment and Housing Act (FEHA) (Gov. Code,§ 12900 et seq.); the regulations promulgated thereunder (Cal. Code Regs., tit. 2, § 11000 et seq.) ; and the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code, §§ 11135 - 11139.5).

Section 4.9 Notice of Litigation. Developer shall promptly notify the County in writing of any litigation materially affecting Developer or the Development and of any claims or disputes that involve a material risk of such litigation.

Section 4.10 Lease Termination. Any termination of a lease of a Locally Restricted Unit (other than for a default by the Resident) or refusal to renew must be in conformance with California Civil Code Section 1946.1(b) and preceded by not less than sixty (60) days written notice to the Resident by Developer specifying the grounds for the action. Any termination of a lease for a default of the Resident shall be in accordance with applicable law

Section 4.11 Compliance with Funding Documents and Program Requirements. Developer shall comply and at all times be in full conformity with: (1) all requirements of the Funding Agreement and the Affordable Housing Plan; (2) all requirements of the Deed of Trust; (3) all requirements of the Funding Documents; (ii) all requirements imposed on projects assisted with CDBG Funds as contained in 42 U.S.C. Section 5301, et seq., 24 C.F.R. Part 570, and other implementing rules and regulations; (4) all requirements imposed on projects assisted with IHTF Funds; and (5) any other regulatory requirements imposed on the Development. Developer acknowledges that the Developer has agreed to restrict the Restricted Units, in accordance with this Agreement, in consideration for the financial assistance provided by the County to the Developer.

Section 4.12 Notice of Expiration of Term.

(a) Prior to the expiration of the Term, Developer shall provide by first-class mail, postage prepaid, a notice to all residents containing the information and meeting the requirements set forth in California Government Code Sections 65863.10 and 65863.11, as such may be amended from time to time. If the Development is to be sold within the Term, the County a notice of right of first refusal within the one hundred eighty (180) day period that qualified entities may purchase the Development.

Section 4.13 Covenants to Run with the Land.

The County hereby declares its express intent that the provisions this Agreement shall run with the land and shall bind all successors in title to the Development; provided, however, that on the expiration of the Term, said covenants and restrictions expire.

Section 4.14 Enforcement by the County.

Subject to Section 2.8 of the Funding Agreement, if the Developer fails to perform any obligation under this Agreement, and fails to cure the default within thirty (30) days after the County provided notice 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 and complete such cure within sixty (60) days, the County shall have the right to enforce this Agreement by any remedy provided by law; including but not limited to an action at law or equity to compel Developer's performance of its obligations hereunder, and/or for damages.

(a) Calling the Funding. The County may declare a default under the Funding Agreement, accelerate the indebtedness evidenced by the Funding Agreement, and proceed with foreclosure under the Deed of Trust.

(b) Action to Compel Performance or for Damages. The County may bring an action at law or in equity to compel the Developer's performance of its obligations under this Agreement, and/or for damages.

(c) Remedies Provided Under Funding Agreement. The County may exercise any other remedy provided under the Funding Agreement.

Section 4.15 Records.

Developer shall maintain complete, accurate and current records pertaining to the Development, and shall permit any duly authorized representative of the County or its funders to inspect records, including records pertaining to Residents. All Resident lists, applications and waiting lists relating to the Development are to be at all times: (a) separate and identifiable from any other business of Developer; (b) maintained as required by the County, in a reasonable condition for proper audit; and (c) subject to examination during business hours by representatives of the County. Developer shall retain copies of all materials obtained or produced with respect to occupancy of the Units for a period of at least five (5) years.

ARTICLE 5
MISCELLANEOUS

Section 5.1 Governing Law and Venue.

This Agreement is governed by the laws of the State of California and venued in San Bernardino County, California. Each party waives any law, statute (including, but not limited to, Code of Civil Procedure section 394), or rule of court that would allow them to request or demand a change of venue. If any third party brings an action or claims concerning the Agreement, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, County of San Bernardino.

Section 5.2 Severability.

If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 5.3 Waiver of Requirements.

Any waiver by the County of any obligation or condition in this Agreement must be in writing. No waiver will be implied from any delay or failure by the County to take action on any breach or default of Developer or to pursue any remedy allowed under this Agreement or applicable law. Any extension of time granted to Developer to perform any obligation under this Agreement shall not operate as a waiver or release from any of its obligations under this Agreement. Consent by the County to any act or omission by Developer shall not be construed to be a consent to any other or subsequent act or omission or to waive the requirement for the County's written consent to future waivers.

Section 5.4 Recording and Filing.

The County and Developer shall cause this Agreement, and all amendments and supplements to it, to be recorded against the Property in the Official Records of the County of San Bernardino, in first lien position over all other agreements, covenants, liens, or other matters of record on the Property.

Section 5.5 Amendments.

This Agreement may be amended only by a written instrument duly recorded in the Official Records of the County of San Bernardino.

Section 5.6 Parties Bound.

Except as otherwise limited herein, the provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their heirs, executors, administrators, legal representatives, successors, and assigns. This Agreement is intended to run with the land and shall bind Developer and its successors and assigns in the Property and the Development for the entire Term, and the benefit hereof shall inure to the benefit of County and its successors and assigns.

Section 5.7 Attorneys' Fees.

In the event that any party to this Agreement brings an action to interpret or enforce its rights under this Agreement, each party, including the prevailing party in such action, shall bear its own costs and expenses, including reasonable attorneys' fees in such action. This paragraph shall not apply to those costs and attorney's fees directly arising from a third-party legal action against a party hereto and payable under Indemnification and Insurance Requirements

Section 5.8 Subordination.

This Agreement shall be recorded in lien position approved in writing by the County and shall not be subordinated to any other lien or encumbrance proposed to be recorded against the Property.

Section 5.9 Notice.

All notices given or certificates delivered under this Agreement shall be in writing and be deemed received on the delivery or refusal date shown on the delivery receipt, if: (a) personally delivered by a commercial service which furnishes signed receipts of delivery; or (b) mailed by certified mail, return receipt requested, postage prepaid, addressed as follows:

County:

San Bernardino County
Community Development and Housing Department
560 East Hospitality Lane, Suite 200
San Bernardino, CA 92415-0043
Attn: Community Development and Housing Director

with copy to:

Goldfarb & Lipman, LLP
1300 Clay Street, 11th Floor
Oakland, CA 94612
Attn: Rafael Yaquian

Developer:

E Street Veterans Apartments, LP
c/o U.S. VETS Housing Corporation
800 West Sixth Street, Suite 1505
Los Angeles, CA 90017
Attention: Carla Ford, Esq.

Bergman & Allderdice
1200 Wilshire Blvd, Suite 610
Los Angeles, CA 90017
Attn: Beth Bergman

And

c/o R4 Capital LLC
780 Third Avenue, 16th Floor
New York, New York 10017
Attention: Marc Schnitzer
Telephone Number: 646.576.7659
Telecopier Number: 212.546.9085
E-Mail Address: mschnitzer@R4cap.com

And

Holland & Knight LLP
787 Seventh Avenue, 31st Floor
New York, New York 10119
Attention: Alan S. Cohen.
Telephone Number: 212.513.3404
Telecopier Number: 212.385.9010
E-Mail Address: alan.cohen@hklaw.com

Such written notices, demands and communications may be sent in the same manner to such other addresses as the affected Party may from time to time designate by mail as provided in this Section. Receipt shall be deemed to have occurred deemed given, received, made or communicated on the date personal delivery is effected or, if mailed in the manner herein specified, on the delivery date or date delivery is refused by the addressee, as shown on the return receipt. Either party may change its address at any time by giving written notice of such change.

Copies of notices to Developer from the County shall also be provided by the County to any Investor Limited Partner of Developer who requests such notice in writing and provides the County with written notice of its address in accordance with this Section

Section 5.10 Assignment by the County.

The County may assign its rights and obligations under this Agreement to any instrumentality of the County or other public entity.

Section 5.11 Hold Harmless.

Developer will indemnify and hold harmless (without limit as to amount) the County and its elected officials, officers, employees and agents in their official capacity (hereinafter collectively referred to as "Indemnitees"), and any of them, from and against all loss, all risk of loss and all damage (including expense) sustained or incurred because of or by reason of any and all claims, demands, suits, actions, judgments and executions for damages of any and every kind and by whomever and whenever made or obtained, allegedly caused by, arising out of, or relating in any manner to the Development, or the Developer's performance or non-performance under this Agreement, and shall protect and defend Indemnitees, and any of them with respect thereto, except to the extent caused by the gross negligence or willful misconduct of the County or any Indemnitees. The provisions of this section shall survive expiration or other termination of this Agreement and the provisions of this section shall remain in full force and effect.

Section 5.12 Term.

The provisions of this Agreement shall apply to the Development for the entire Term.

Section 5.13 Entire Understanding of the Parties.

This Agreement constitutes the entire understanding and agreement of the Parties with respect to the County Funding and the operation of the Development.

Section 5.14 Multiple Originals; Counterparts.

This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts, and all of which taken together shall constitute one agreement binding on all parties hereto, notwithstanding that all of the parties shall not have signed the same counterpart.

Section 5.15 Time of Essence.

Time is and shall be of the essence in this Lease.

Section 5.16 Attorneys' Fees.

If any legal action is instituted to enforce any party's rights hereunder, each party shall bear its own costs and attorney's fees, regardless of who is the prevailing party. This paragraph shall not apply to those costs and attorney's fees directly arising from a third-party legal action against a party hereto and payable under Indemnification and Insurance Requirements.

Section 5.17 Relationship of Parties.

It is understood that, subject to the limitations contained in this Lease, Lessee shall have control of the operation of the Improvements. Nothing in this Lease shall create or be construed to create a partnership or joint venture between County, its successors and assigns, on the one hand, and Lessee, its successors and assigns, on the other hand.

Section 5.18 Revival of Agreement after Foreclosure.

This Agreement shall be revived according to its original terms if, during the original Term, the owner of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the Development or the Property.

Section 5.19 County Approval.

Whenever this Agreement calls for County approval, consent, or waiver, the written approval, consent, or waiver of the County Chief Executive Officer shall constitute the approval, consent, or waiver of the County, without further authorization required from the County Board of Supervisors. The County hereby authorizes the County Chief Executive Officer, or the designee of the County Chief Executive Officer, to deliver such approvals or consents as are required by this Agreement, or to waive requirements under this Agreement, on behalf of the County. Any consents or approvals required under this Agreement shall not be unreasonably withheld or made, except where it is specifically provided that a sole discretion standard applies. The County Chief Executive Officer, or the designee of the County Chief Executive Officer, is also hereby authorized to approve, on behalf of the County, requests by Developer for reasonable extensions of time deadlines set forth in this Agreement. The County shall not unreasonably delay in reviewing and approving or disapproving any proposal by Developer made in connection with this Agreement.

[Signatures on following page.]

WHEREAS, this Agreement has been entered into by the undersigned as of the date first written above.

COUNTY:

SAN BERNARDINO COUNTY, a political subdivision of the State of California

By: ______________________________________
Luther Snoke, Chief Executive Officer

APPROVED AS TO LEGAL FORM:

LAURA FEINGOLD
County Counsel

By: ______________________________________
Suzanne Bryant, Deputy County Counsel

DEVELOPER:

E Street Veterans Apartments, LP,
a California limited partnership

By: U.S.VETS – E Street LLC,
a California limited liability company,
its managing general partner

By: U.S.VETS Housing Corporation,
a California nonprofit public benefit corporation,
its managing member

By: ________________________________
Lori Allgood, Chief Operating Officer

By: Kingdom Development, Inc.,
a California nonprofit public benefit corporation,
its member

By: ________________________________
William Leach, President

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

STATE OF CALIFORNIA)
)
COUNTY OF ___________________)

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

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

WITNESS my hand and official seal.

____

Name: ______________________________

Name : Notary Public

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

STATE OF CALIFORNIA)
)
COUNTY OF ___________________)

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

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

WITNESS my hand and official seal.

____

Name: ________________________________

Name: Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

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

BEING A PORTION OF LOT 11, IN BLOCK 34, 5 ACRE SURVEY OF RANCHO SAN BERNARDINO, CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, FILED IN BOOK 7, PAGE 2 OF MAPS, RECORDS OF SAID COUNTY, AS SHOWN AS LOT MERGER NO. LM 2023-004, IN THE CERTIFICATE OF COMPLIANCE RECORDED AUGUST 24, 2023, AS INSTRUMENT NO. 2023-0208268 OF OFFICIAL RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT IN THE EAST BOUNDARY LINE OF "E" STREET OF SAID CITY, 238.16 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT 11, SAID POINT BEING ON THE SOUTH LINE OF DOCUMENT RECORDED DECEMBER 15, 2022, AS INSTRUMENT NO. 2022-0400312 OF OFFICIAL RECORDS OF SAID COUNTY;

THENCE ALONG SAID LINE, NORTH 89° 17' 52" EAST, A DISTANCE OF 299.01 FEET, MORE OR LESS, TO A POINT MIDWAY BETWEEN THE SAID EAST BOUNDARY LINE OF SAID "E" STREET AND THE WEST BOUNDARY LINE OF "D" STREET OF SAID CITY;

THENCE SOUTH 00° 20' 18" EAST, A DISTANCE OF 116.98 FEET TO THE SOUTH LINE OF SAID LOT 11;

THENCE ALONG SAID LINE, SOUTH 89° 36' 20" WEST, A DISTANCE OF 299.02 FEET, MORE OR LESS, TO THE WEST BOUNDARY LINE OF SAID "E" STREET;

THENCE ALONG SAID LINE, NORTH 00° 19' 53" WEST, A DISTANCE OF 115.38 FEET TO THE POINT OF BEGINNING.

THE PRECEDING FOUR COURSES PER RECORD OF SURVEY 22-01062, RECORDED IN BOOK 176, PAGE 60 OF RECORDS OF SURVEY, RECORDS OF SAID COUNTY.

APN: 0145-211-55-0-000

EXHIBIT B

SCHEDULE OF RENTS

TCAC PROGRAM RENTS

The attached California Tax Credit Allocation Committee (TCAC) Rents reflect the current TCAC rents aa of the date of the Agreement. The initial Rents and subsequent Rents for all Units must be provided to the Developer by the County before occupancy and are subject to the TCAC Regulations. The County will provide the Developer with a schedule of maximum permissible Rents for the Units annually.

Per HUD Notice
(2019 V2) Effective: April 1, 2025

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

2025

Maximum Mulit-Family Tax Subsidy (MTSP) Rents
for Low Income Housing Tax Credit (LIHTC) Projects

For Projects Placed in Service on or after 4/1/2025+

SAN BERNARDINO						
100% Income Level	$1,960	$2,098	$2,516	$2,910	$3,244	$3,580
80% Income Level	$1,568	$1,679	$2,014	$2,328	$2,596	$2,865
70% Income Level	$1,372	$1,469	$1,762	$2,037	$2,271	$2,506
60% Income Level	$1,176	$1,259	$1,510	$1,746	$1,947	$2,148
55% Income Level	$1,078	$1,154	$1,384	$1,600	$1,784	$1,969
50% Income Level	$980	$1,049	$1,258	$1,455	$1,622	$1,790
45% Income Level	$882	$944	$1,132	$1,309	$1,460	$1,611
40% Income Level	$784	$839	$1,007	$1,164	$1,298	$1,432
35% Income Level	$686	$734	$881	$1,018	$1,135	$1,253
30% Income Level	$588	$629	$755	$873	$973	$1,074
20% Income Level	$392	$419	$503	$582	$649	$716

EXHIBIT C

CERTIFICATES OF PROGRAM COMPLIANCE

INITIAL CERTIFICATE OF PROGRAM COMPLIANCE

E Street Veterans Apartments, LP, a California limited partnership ("Borrower"), hereby certifies that it will comply with all applicable requirements under the Regulatory Agreement and Declaration of Restrictive Covenants for a total affordability term of fifty-five (55) years from the date of recordation of the Notice of Completion for the above-described Project. Affordability shall be maintained as follows:

The Borrower is operating a twenty-nine (29) unit affordable housing development. During the Term the Borrower will rent:

(1) Fifteen (15) Units, including twelve (12) one-bedroom Units and three (3) two-bedroom Units, shall be rented to and occupied by or, if vacant, available for occupancy by Very Low Income Households.

(2) Fourteen (14) Units, including nine (9) one-bedroom Units and five (5) two-bedroom Units shall be rented to and occupied by or, if vacant, available for occupancy by Low Income Households.

Borrower is maintaining and attaching the following records and reports in order to assist the County in meeting its record keeping and reporting requirements:

1. Files on the annual review and certification of tenant income;
2. All information on the qualification of affordable rents;
3. Terms and conditions of all signed leases between Tenants and Borrower;
4. All other reports and records requested by County pursuant to the County Documents.

[***Signature Page Follows***]

BORROWER:

E Street Veterans Apartments, LP,
a California limited partnership

By: U.S.VETS – E Street LLC,
a California limited liability company,
its managing general partner

By: U.S.VETS Housing Corporation,
a California nonprofit public benefit corporation,
its managing member

By: ____________________________
Lori Allgood, Chief Operating Officer

By: Kingdom Development, Inc.,
a California nonprofit public benefit corporation,
its member

By: ___________________________
William Leach, President

ANNUAL CERTIFICATION OF
CONTINUING PROGRAM COMPLIANCE

E Street Veterans Apartments, LP, a California limited partnership ("Borrower"), hereby certifies that it will comply with all applicable requirements under the Regulatory Agreement and Declaration of Restrictive Covenants for a total affordability term of fifty-five (55) years from the date of recordation of the Notice of Completion for the above-described Project. Affordability shall be maintained as follows:

The Borrower is operating a twenty-nine (29) unit affordable housing development. During the Term the Borrower will rent:

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2. All information on the qualification of affordable rents;
3. Terms and conditions of all signed leases between Tenants and Borrower;
4. All other reports and records requested by County pursuant to the County Documents.

[***Signature Page Follows***]

BORROWER:

E Street Veterans Apartments, LP,
a California limited partnership

By: U.S.VETS – E Street LLC,
a California limited liability company,
its managing general partner

By: U.S.VETS Housing Corporation,
a California nonprofit public benefit corporation,
its managing member

By: ____________________________
Lori Allgood, Chief Operating Officer

By: Kingdom Development, Inc.,
a California nonprofit public benefit corporation,
its member

By: ___________________________
William Leach, President

CERTIFICATE OF
CONTINUING PROGRAM COMPLIANCE

The following information with respect to the E Street Veterans Apartments (the "Development"), is being provided by E Street Veterans Apartments, LP, a California limited partnership (the "Borrower") to San Bernardino County (the "County"), pursuant to that certain Funding Agreement dated as of November 18, 2025, and the Regulatory Agreement dated as of November 18, 2025, with respect to the Development:

(A) The total number of residential units which are completed and available for occupancy is _______. The total number of such units occupied is _______.

(B) The following residential units (identified by unit number) have been designated Restricted Units, as described in the Regulatory Agreement (for a total of _________);

(C) The following residential units which are included in (B) above, have been designated as Restricted Units since ____________, 20____, the date on which the last "Certificate of Continuing Program Compliance" was filed with the County by ________;

Unit Number	Previous Designation of Unit (if any)	Replacing Unit Number

(D) The following residential units are considered to be occupied by Very Low Income Households and Low Income Households based on the information set forth below:

Number of Unit	Date of Unit No.	Name of Tenant	Persons Residing in Unit	Total Adjusted Gross Income	Initial Occupancy	Monthly Rental Amount

Attach a Separate Sheet if Necessary

(E) In renting the residential units in the Development, Borrower has not given preference to any particular group or class of persons not allowed under the Regulatory Agreement (except for persons who qualify as qualified Very Low Income Households or Low Income Households). All of the residential units in the Development have been rented pursuant to a written lease, and the term of each lease is at least 12 months. A copy of the form lease is attached.

(F) Each building in the Development and all Units in the Development are suitable for occupancy and comply with all applicable State and local health, safety and other applicable codes, ordinances, and requirements and the ongoing property standards, as specified in Section of the 4.4 of the Regulatory Agreement.

(G) The information provided in this "Certificate of Continuing Program Compliance" is accurate and complete, and no matters have come to the attention of Borrower which would indicate that any of the information provided herein, or in any "Certification of Tenant Eligibility" obtained from the tenants named herein, is inaccurate or incomplete in any respect.

[***Signature Page Follows***]

IN WITNESS WHEREOF, I have hereunto affixed my signature, on behalf of Borrower, on this______day of ______________, 20___.

BORROWER:

E Street Veterans Apartments, LP,
a California limited partnership

By: U.S.VETS – E Street LLC,
a California limited liability company,
its managing general partner

By: U.S.VETS Housing Corporation,
a California nonprofit public benefit corporation,
its managing member

By: ________________________________
Lori Allgood, Chief Operating Officer

By: Kingdom Development, Inc.,
a California nonprofit public benefit corporation,
its member

By: ________________________________
William Leach, President

EXHIBIT D

FORM OF CERTIFICATION OF RESIDENT ELIGIBILITY

Rental Unit ____
Street Address____
Unit No. ____________
City ____
Zip Code ____________

I/We, the undersigned, being first duly sworn, state that I/we have read and answered fully and truthfully each of the following questions for all persons who are to occupy the Unit in the above Project for which application is made, all of whom are listed below:

1. Name of Members in the Household	**2.** Relationship to Head of Household	**3.** Age	**4.** Ethnicity	**5.** Place of Employment

Ethnicity: ❑White ❑Black or African American ❑Asian ❑Asian & White

❑American Indian or Alaska Native

❑Native Hawaiian or Other Pacific Islander ❑American Indian or Alaska Native & White

❑Black or African American & White

❑American Indian or Alaska Native & Black or African American

❑Other Multi Race ❑Hispanic

Date of Occupancy of Rental Unit by Resident: ____________
Date of Lease Signed for Rental Unit by Resident: ____________
Amount of Rent Paid Per Month: ____________
Certification Date (Earlier of Date of Occupancy or Date Lease signed): __________________

6. **Anticipated Annual Income.** The anticipated total annual income from all sources of each person listed in Section **1** for the twelve (12) month period beginning on the Certification Date listed above, including income described in (a) below, but excluding all income described in (b) below, is $ ________________.

(3)The amount set forth above D-1 includes all of the following income (unless such income is described in (b) below): all wages and salaries, overtime pay, commissions, fees, tips and bonuses before payroll deductions; net income from the operation of a business or profession or from the rental of real or personal property (without deducting expenditures for business expansion or amortization of capital indebtedness or any allowance for depreciation of capital assets); interest and dividends (including income from assets as set forth in item 7(b) below); full amount of periodic payments received from Social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts; payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay; the maximum amount of public assistance available to the above persons; periodic and determinable allowances, such as alimony and child support payments and regular contributions and gifts received from persons not residing in the dwelling; all regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is the head of the household or spouse; and any earned income tax credit to the extent it exceeds income tax liability.

(4)The following income is excluded from the amount set forth above: casual, sporadic or irregular gifts; amounts that are specifically for or in reimbursement of medical expenses; lump sum additions to family assets, such as inheritances, insurance payment (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses; amounts of educational scholarships paid directly to student or educational institution, and amounts paid by the government to a veteran for use in meeting the costs of tuition, fees, books and equipment, but in either case only to the extent used for such purposes; hazardous duty pay to a member of the household in the armed forces who is away from home and exposed to hostile fire; relocation payments under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; income from employment of children (including foster children) under the age of eighteen (18) years; foster child care payments; the value of coupon allotments under the Food Stamp Act of 1977; payments to volunteers under the Domestic Volunteer Service Act of 1973; payments received under the Alaska Native Claims Settlement Act; income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes; payments on allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program; and payments received from the Workforce Innovation and Opportunity Act.

7. **Net Family Assets.** If any of the persons described in item 1 above (or any person whose income or contributions were included in item 6) has any savings, stocks, bonds, equity in real property or other form of capital investment (excluding interests in Indian trust lands), provide:

(1)the total value of all such assets owned by all such persons: $________, and

(2)the amount of income expected to be derived from such assets in the twelve (12) month period commencing this date: $___________.

8. Students

(3)Will any of the persons listed in item 1 above be or have they been full-time students during five (5) calendar months of this calendar year at an educational institution (other than a correspondence school) with regular faculty and students?
Yes ______ No ______

(4)(Complete only if the answer to Question 8(a) is "Yes"). Is any such person (other than nonresident aliens) married and eligible to file a joint federal income tax return, a veteran of the U.S. military?
Yes ______ No ______

The above information is full, true, and complete to the best of my knowledge. I have no objections to inquiries being made for the purpose of verifying the statements made herein.

Signature: ______________________________________ Date ___________________

(Signature Must be Notarized)

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

STATE OF CALIFORNIA)
)
COUNTY OF __________________)

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

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

WITNESS my hand and official seal.

____
Name: _____________________________
Notary Public

EXHIBIT E

CALCULATION OF APPLICANT INCOME

"Gross income" shall mean the anticipated income of a person or family for the twelve-month period following the date of determination of income. If the circumstances are such that it is not reasonably feasible to anticipate a level of income over a twelve-month period, a shorter period may be used subject to a redetermination at the end of such a period. "Income" shall consist of the following:

(a) Except as provided in subdivision (b), all payments from all sources received by the family head (even if temporarily absent) and each additional member of the family household who is not a minor shall be included in the annual income of a family. Income shall include, but not be limited to:

(1) The gross amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses;

(2) The net income from operation of a business or profession or from rental or real or personal property (for this purpose, expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine the net income from a business);

(3) Interest and dividends;

(4) The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts;

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (but see subdivision (b)(3)).

(6) Public Assistance. If the public assistance payment includes an amount specifically designated for shelter and utilities which is subject to adjustment by the public assistance agency in accordance with the actual cost of shelter and utilities, the amount of public assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter and utilities, plus

(B) The maximum amount which the public assistance agency could in fact allow for the family for shelter and utilities,

(7) Periodic and determinable allowances such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (whether or

not living in the dwelling) who is head of the family or spouse (but see subdivision (b)(5)).

Where a family has net family assets in excess of five thousand dollars ($5,000), income shall include the actual amount of income, if any, derived from all of the net family assets or 10 percent of the value of all such assets, whichever is greater. For purposes of this section, net family assets means value of equity in real property other than the household's full-time residence, savings, stocks, bonds, and other forms of capital investment. The value of necessary items such as furniture and automobiles shall be excluded.

(b) The following items shall not be considered as income:

(1) Casual, sporadic or irregular gifts;

(2) Amounts which are specifically for or in reimbursement of the cost of medical expenses;

(3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses;

(4) Amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the government to a veteran for use in meeting the costs of tuition, fees, books and equipment. Any amounts of such scholarships, or payments to veterans not used for the above purposes of which are available for subsistence are to be included in income;

(5) The special pay to a serviceman head of a family away from home and exposed to hostile fire;

(6) Relocation payments made pursuant to federal, state, or local relocation law;

(7) Foster child care payments;

(8) The value of coupon allotments for the purchase of food pursuant to the Food Stamp Act of 1964 which is in excess of the amount actually charged the eligible household;

(9) Payments received pursuant to participation in the following volunteer programs under the ACTION Agency:

(A) National Volunteer Antipoverty Programs which include VISTA, Service Learning Programs and Special Volunteer Programs.

(B) National Older American Volunteer Programs for persons aged 60 and over which include Retired Senior Volunteer Programs, Foster Grandparent Program, Older American Community Services Program, and National Volunteer Program to Assist Small Business Experience, Service Corps of Retired Executive (SCORE) and Active Corps of Executives (ACE).

EXHIBIT F

REPORITNG REQUIREMENTS

REPORTING REQUIREMENTS

A. Data Reporting

1. Developer will submit detailed reports containing, at minimum, the following information:
- Unduplicated number of homeless persons and households served;
- Unduplicated number of persons and households at imminent risk of homelessness served;
- Number of instances of service;
- Increases in capacity for new and existing programs;
- Number of unsheltered homeless persons and homeless households becoming sheltered; and
- Number of homeless persons and homeless households entering permanent housing.

2. Breakdowns will be expected for each activity (i.e. services, capital improvements, rental assistance, etc.) and program type (i.e. emergency shelter, rapid re-housing, outreach, etc.) for the supplemental reporting requirements listed above, when applicable. The same information will also be requested specifically for the following subpopulations, based on priorities defined by the U.S. Department of Housing and Urban Development:
- Chronically homeless
- Homeless veterans
- Unaccompanied homeless youth
- Homeless persons in families with children

3. Counts by subpopulation will not be required in cases where that information is unavailable, but is expected in cases where client information is entered in the Homeless Management Information System (HMIS).

B. Homeless Management Information System (HMIS)

HMIS is a local database application used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness in the County. Developer must ensure that data on all persons served are entered into the countywide HMIS. HMIS is managed and operated by the County OHS. HMIS technical and data standards are set forth in the Final 2017 HMIS Data Standards, on file with the County.

1. Developer shall enter into a Memorandum of Understanding (MOU) with the HMIS Lead Agency where the Developer agrees to share HMIS data with other County funded agencies, unless prohibited by law.

2. Developer is required to work with County (OHS) staff to ensure the timely and accurate set-up of their HMIS program profile and to ensure the HMIS program profile is setup in a manner that accurately captures the data pertinent to Developer's program. Developer's program profile must be setup prior to Developer submitting their first Grant Fund Disbursement Request form.

3. Developer shall submit a copy of HMIS reports, in a form to be provided by the County, with the quarterly expenditure reports. In the case of Domestic Violence service providers or other agencies prohibited from entering data into HMIS, documentation from the HMIS lead agency certifying that the Developer is using a comparable database shall be delivered to the County. The contact information for the "HMIS Lead Agency" is:

HMIS Lead
San Bernardino County
Office of Homeless Services
560 E. Hospitality Lane, Suite 200
San Bernardino CA 92415-0044
Phone: 909-501-0612

4. Developer must ensure all required data elements, as listed below, are entered into the HMIS system for Residents, in a timely manner, and is inputted no later than two (2) working days after program entry. Services rendered to clients must be entered into HMIS no later than two (2) working days from date of service(s). All clients who exit the program must have an updated status in HMIS within two (2) working days from actual exit date. Failure to meet the above data inputting requirements will constitute a violation of the terms and conditions of this Agreement. Developer will be notified by County (OHS) staff, and if not rectified, the Agreement may be terminated at the County's sole and absolute discretion.

5. In addition to the timely entry of HMIS data, Developer is required to enter accurate and complete data. The County will ensure Developer adheres to Data Quality Standards, as established by HUD, and data entry requirements, as set forth in the HMIS MOU and the OHS Policy Handbook. The Data Quality Standards assess the data quality and completeness of the following Data Elements entered:
    1. Client Demographic Data
        a) Name
        b) Social Security Number
        c) Date of Birth
        d) Race
        e) Ethnicity
        f) Gender
        g) Veteran Status
    2. Universal Data
        a) Disabling Condition
        b) Project Start Date

c) Project Exit Date
d) Destination
e) Relationship to Head of Household
f) Client Location
g) Housing Move-in Date
h) Living Situation

3. Common Program Specific Data Elements
a) Income and Sources
b) Non-Cash Benefits
c) Health Insurance
d) Disability Elements
e) Physical Disability
f) Developmental Disability
g) Chronic Health Condition
h) HIV/AIDS
i) Mental Health Problem
j) Substance Abuse
k) Domestic Violence
l) Contact
m) Date of Engagement
n) Bed-Night Date
o) Housing Assessment Disposition

4. Data Timeliness
a) Entry Timeliness
b) Exit Timeliness

6. According to Data Quality Standards, Developer is required to have a five-percent (5%) or less error rate to ensure data accuracy and less than a five-day lapse in timeliness for entry of data at time of client entry, services are rendered, and client exit. Any performance benchmarks not meeting these standards will be captured on Developer's HMIS Data Quality Report Sample, see Exhibit 5. The report will be generated by Developer and submitted quarterly with expenditure reports. OHS will review reports and data deficiencies, if any, will be identified and discussed with Developer to determine methods to remediate and/or improve data quality scores.

7. If Developer continues to not meet data entry and data quality benchmarks, as established by HUD and set forth in the HMIS MOU and the OHS Policy Handbook, County may terminate Agreement as set forth in CORRECTION OF PERFORMANCE DEFICIENCIES Section.

8. Developer agrees to provide the County and/or the State access to HMIS data collected and entered into HMIS, upon request, and to participate in any statewide data initiative as directed by the State including, but not limited to, a statewide data integration environment.

Program Roster Report	SAMPLE	Agency Name Active within 06/01/2023 thru 06/30/2023

Housing Move-in: Undefined = Unknown HoH or adjusted Move-in is Null, = Non PH Project, **A:** Assessments, **S:** Services, **CN:** Case Notes
You can find more information about adjusted Move-In Date at the Help Center Article
Head of Household (HoH) Unique Identifiers are listed in bold text. Household members are grouped together with the HoH.

Client	Unique Identifier	Birth Date	Age At Entry	Current Age	Enroll Date	Exit Date	LOS	Housing Move-in	A	S	CN	Assigned Staff
Program: Sample Project Name												
Client 1	**ABC12345**	99/99/9999	43	45	09/30/2021	-	639	undefined	1	0	0	A. Admin
Client 2	**DEF12345**	11/11/1111	57	66	07/11/2014	-	3,277	07/11/2014	10	0	0	A. Admin
Client 3	**GHI12345**	22/22/2222	47	56	08/15/2014	-	3,242	08/15/2014	10	0	0	A. Admin
Client 4	**JKL12345**	33/33/3333	23	26	04/03/2020	-	1,184	undefined	5	0	0	A. Admin
Client 5	**MNO12345**	44/44/4444	36	48	03/08/2011	-	4,498	03/08/2011	13	0	0	A. Admin
Client 6	**PQR11111**	66/66/6666	47	61	03/10/2010	-	4,861	03/10/2010	11	0	0	A. Admin
Client 7	STU12345	55/55/5555	53	64	05/05/2012	-	4,074	05/05/2012	12	0	0	A. Admin
Client 8	**VWX22222**	77/77/7777	53	56	12/30/2019	-	1,279	12/30/2019	4	0	0	A. Admin
Client 9	**YZ123456**	88/88/8888	55	58	11/24/2020	-	949	undefined	3	0	0	A. Admin
Client 10	**BAC11111**	-	-	-	05/10/2023	-	52	undefined	0	0	0	A. Admin
Client 11	**CAD22222**	10/10/1010	60	60	05/18/2023	-	44	05/18/2023	0	0	0	A. Admin

Number of Enrollments: 11

Number of Unique Clients: 11

Number of Households: 10