

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Village Green Tax Credit LP  
701 Fifth Avenue, Suite 5700  
Seattle, WA 98104  
Attention: Steve TeSelle

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SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT

BY AND AMONG

VILLAGE GREEN PRESERVATION LP,  
a California limited partnership,  
as the Transferor

VILLAGE GREEN TAX CREDIT LP,  
a California limited partnership,  
as the Transferee

AND

COUNTY OF SAN BERNARDINO

\$5,294,000  
County of San Bernardino, California  
Multifamily Housing Revenue Bonds, 1998 Series A  
(Village Green Apartments)  
(Redeemed)

## ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT

THIS ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT (this “**Agreement**”) is entered into as of October 7, 2025, by and among VILLAGE GREEN PRESERVATION LP, a California limited partnership (the “**Transferor**”), VILLAGE GREEN TAX CREDIT LP, a California limited partnership (the “**Transferee**”), and SAN BERNARDINO COUNTY, formerly known as the COUNTY OF SAN BERNARDINO (the “**County**”).

### RECITALS

WHEREAS, reference is made to that certain Regulatory Agreement and Declaration of Restrictive Covenants, dated as of May 1, 1998, among the County, as issuer, U.S. Bank Trust National Association, a national banking association, as trustee (the “**Original Trustee**”), and SB Village Green Apartments, L.P., a California limited partnership (“**SB Village Green**”), and recorded on August 28, 1998 in the official records of the County of San Bernardino (the “**Official Records**”) as document number 19980367084, as amended by that certain First Amendment to Regulatory Agreement, dated as of August 15, 2000, among the County, The Chase Manhattan Bank, as successor to Original Trustee (the “**Successor Trustee**”), and SB Village Green, and recorded on December 8, 2000 in the Official Records as document number 20000454044, as modified by that certain Assignment, Assumption and Consent Agreement, dated as of November 17, 2011, among SB Village Green, as transferor, Post Village Green, L.P., a Delaware limited partnership, as transferee (“**Post Village Green**”), the County, and Wells Fargo Bank, National Association, as successor to the Successor Trustee (the “**Trustee**”), and recorded on November 18, 2011 in the Official Records as instrument number 2011-0492944, as further modified by that certain Assignment, Assumption and Consent Agreement, dated as of March 11, 2014, between Post Village Green, as transferor, and PD Village Green, L.P., a Delaware limited partnership (“**PD Village Green**”), as transferee, and recorded on March 19, 2014 in the Official Records as instrument number 2014-0098402, as further amended by that certain Second Amendment to Regulatory Agreement, dated as of March 11, 2014, among the County and PD Village Green, and recorded on March 19, 2014 in the Official Records as instrument number 2014-0098406, as further modified by that certain Assignment, Assumption and Consent Agreement, dated as of March 10, 2020, among PD Village Green, as transferor, Village Green Chestnut, L.P., a California limited partnership (“**Village Green Chestnut**”), as transferee, and the County (unrecorded), as further modified by that certain Assignment, Assumption and Consent Agreement, dated as of October 28, 2022, among Village Green Chestnut, as transferor, Transferor, as transferee, and the County, recorded on November 10, 2022 in the Official Records as instrument number 2022-0371641 (collectively, the “**Regulatory Agreement**”), encumbering the land as legally described in **Exhibit A** attached hereto and all improvements thereon (the “**Project**”).

WHEREAS, pursuant to the terms of a Purchase and Sale Agreement, dated as of January 22, 2025, by and between Transferor and Transferee, as successor-in-interest to SP Affordable Housing Group IV LLC, a Washington limited liability company, the Transferor proposes to transfer the ownership of the Project to the Transferee.

WHEREAS, simultaneously herewith Fannie Mae, the corporation duly organized under the Federal National Mortgage Association Charter Act, as amended, 12 U.S.C. §1716 et seq., and

duly organized and existing under the laws of the United States, is making a permanent loan in an amount not to exceed \$37,000,000 (the “**Loan**”) to the Transferee, funded from the proceeds related to a bond issuance from California Municipal Finance Authority, a joint exercise of powers agency duly organized and validly existing under the laws of the State of California, under the Fannie Mae Bond Credit Enhancement program which Loan will be evidenced by a Multifamily Note and Reimbursement Agreement, and secured by a Multifamily Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing (collectively, the “**Fannie Mae Financing**”).

WHEREAS, pursuant to Section 15 of the Regulatory Agreement, the Transferor shall not enter into a sale, lease, exchange, assignment, conveyance, transfer or other disposition of all or substantially all of the Project without the prior written consent of the County, which consent shall not be unreasonably withheld, as long as the requirements of Section 15 of the Regulatory Agreement are fully satisfied.

WHEREAS, the Transferor and the Transferee have requested the County to consent to the transfer of the Project as provided in the Regulatory Agreement.

WHEREAS, the Transferee desires to assume all of Transferor’s right, title, interest and duties related to the Project and the Regulatory Agreement.

WHEREAS, the Transferee desires to assume all of Transferor’s right, title, interest and duties related to the Project and the Regulatory Agreement on or about October 21, 2025 (the “**Sale Closing Date**”).

WHEREAS, the Transferee has requested the County to consent to the Fannie Mae Financing as provided in the Regulatory Agreement.

WHEREAS, the County proposes to consent to the transfer of the Project to Transferee, the assignment and assumption by Transferee provided herein, and the Fannie Mae Financing.

WHEREAS, the Transferor has agreed to pay to the County its reasonable fees and expenses (including, without limitation, allocable internal costs and fees and expenses of counsel to the County, cost and fees of the financial consultant, the Trustee and bond counsel) in conjunction with such sale, transfer or other disposition of the Project.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is acknowledged, the parties agree as follows:

**Section 1.     Assignment and Assumption of Assumed Obligations and Indemnification.**

1.1     Transferor, as of the Sales Closing Date, hereby assigns to the Transferee, and the Transferee hereby fully and unconditionally accepts and assumes, all of the rights, duties and obligations of Transferor in and under the Regulatory Agreement (the “**Assumed Obligations**”), and agrees to perform such obligations in accordance with the terms thereof. The Transferee agrees

to be bound in every way by all of the grants, terms, conditions, and covenants in respect of Transferor contained in the Assumed Obligations.

1.2 The Transferee releases the County and its officers, members, agents, officials, and employees from, and covenants and agrees to indemnify, hold harmless and defend the County and its officers, members, agents, officials, and employees and each of them (each an “**Indemnified Party**”) from and against, any and all losses, claims, damages, demands, liabilities and expenses (including attorney’s fees and expenses), taxes, causes of action, suits, claims, demands and judgments of any nature, joint or several, by or on behalf of any person arising from and after the Sale Closing Date out of:

(a) the transactions provided for in the Regulatory Agreement or otherwise in connection with the Project, or the execution and delivery or amendment of any other document entered into in connection with the transactions provided for in the Regulatory Agreement;

(b) any and all claims arising in connection with the interpretation, performance, enforcement, breach, default or amendment of the Regulatory Agreement or any other documents relating to the Project or in connection with any federal or state tax audit, or any questions or other matters arising under the Regulatory Agreement;

(c) the Transferee’s carrying out of any of the transactions provided for in the Regulatory Agreement;

(d) the Transferee’s failure to comply with any requirement of the Regulatory Agreement;

(e) any damage or injury, actual or claimed, of whatsoever kind, cause or character, to property (including loss of use of property) or persons, occurring or allegedly occurring in, on or about the Project or arising out of any action or inaction of the Transferee, whether or not related to the Project, or resulting from or in any way connected with specified events, including the rehabilitation or management of the Project, or otherwise in connection with transactions contemplated or otherwise in connection with the Project, or the execution or amendment of any document relating to the Project;

(f) any violation of any environmental law, rule or regulation with respect to, or the release of any toxic substance from, the Project; and

(g) any and all claims arising in connection with the operations of the Project, or the conditions, environmental or otherwise, occupancy, use, possession, conduct or management of work done in or about, or from the planning, design, acquisition, rehabilitation or equipping of, the Project or any part of it, including, but not limited to, the ADA (as evidenced by an architect’s certificate to such effect).

This indemnification shall extend to and include, without limitation, all reasonable costs, counsel fees, expenses or liabilities incurred in connection with any such claim, or proceeding

brought with respect to such claim; except to the extent such damages are caused by the willful misconduct of an Indemnified Party.

In the event that any action or proceeding is brought against any Indemnified Party with respect to which indemnity may be sought under the Regulatory Agreement, Transferee, upon written notice from the Indemnified Party, shall assume the investigation and defense of the action or proceeding, including the employment of counsel selected by the Transferee (with the approval of the County), subject to the approval of the Indemnified party in such party's sole discretion, and shall assume the payment of all expenses related to the action or proceeding, with full power to litigate, compromise or settle the same in its sole discretion, provided that the County shall have the right to review and approve or disapprove any such compromise or settlement. Each Indemnified Party shall have the right to employ separate counsel in any such action or proceeding and participate in the investigation and defense of the action or proceeding, and the Transferee shall pay the reasonable fees and expenses of such separate counsel, provided, however, that unless such separate counsel is employed with the approval of the Transferee, which approval shall not be unreasonably withheld, conditioned or delayed, the Transferee shall not be required to pay the fees and expenses of such separate counsel.

Notwithstanding any transfer of the Project to another owner, the Transferee shall remain obligated to indemnify each Indemnified Party pursuant to this Section for all matters arising prior to the date of such transfer, and, as a condition to the release of the Transferor on and after the transfer date, the Transferee must assume the obligations of the Transferor under the Regulatory Agreement on and after such transfer date and indemnify each Indemnified Party pursuant to this Section for all matters arising on and after the date of such transfer. The provisions of this Section shall survive the term of the Regulatory Agreement.

## **Section 2.     Consent and Release.**

2.1     The County hereby consents to the assignment and assumption made by the Transferor and Transferee herein, as well as to the transfer of the Project from Transferor to Transferee and the Fannie Mae Financing as contemplated herein. By its execution of this Agreement, the County acknowledges and confirms that all conditions precedent to transfer of the Project, and the assignment and assumption of the Assumed Obligations, and consent to the Fannie Mae Financing as set forth in the Regulatory Agreement have been satisfied or waived, by including, without limitation, the requirements of Sections 15 of the Regulatory Agreement. By their execution of this Agreement, County acknowledges and confirms that, other than those set forth in **Exhibit C** hereto, as of the date hereof, to their respective actual knowledge (without any duty to investigate and not including implied knowledge), there exists no event of default under the Regulatory Agreement, there exists no event which would give rise to an indemnification obligation by Transferor (including without limitation an indemnification obligation under Section 9 of the Regulatory Agreement), and that there is no event that, with giving of notice, the passage of time, or both, would constitute an event of default or give rise to such indemnification obligation.

2.2     The County hereby fully and unconditionally releases Transferor from all duties and obligations under the Regulatory Agreement, except for any of Transferor's indemnification

obligations under the Regulatory Agreement to the extent that the vents, actions, or failures to act which gave rise to such obligations took place prior to the Sale Closing Date. Transferor acknowledges and agrees that the County as only released Transferor from Transferor's indemnification obligations under the Regulatory Agreement to the extent that Transferee has assumed such indemnification obligations, pursuant to the terms hereof, for events, actions, or failures to act which give rise to such indemnification obligations which take place after the Sale Closing Date.

**Section 3.**     Fannie Mae Rider.

3.1     Section 24 is hereby added to the Regulatory Agreement as follows:

“Section 24. Reference is hereby made to the Fannie Mae Rider to Regulatory Agreement, which is attached hereto as **Exhibit B**, and forms a part of this this Regulatory Agreement.”

**Section 4.**     Miscellaneous Provisions.

4.1     Transferor represents and warrants to both the County and the Transferee that, as of the date hereof, other than those set forth in **Exhibit C** hereto, there exists no event of default under the Regulatory Agreement and that there is no event that, with the giving of notice, the passage of time, or both, would constitute an event of default. The foregoing representations and warranties shall survive Transferee's acquisition of the Project.

4.2     The Transferee agrees promptly to pay to the County its reasonable fees and expenses (including, without limitation, allocable internal costs and fees and expenses of counsel to the County and bond counsel) as set forth in **Exhibit D** in conjunction with the negotiation and extension of this Agreement and the other instruments and agreements contemplated herein.

4.3     The Transferor and Transferee agree promptly to record the transfer of the Project in the Official Records of the County of San Bernardino, California.

4.4     This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

4.5     This Agreement shall be governed exclusively by and construed in accordance with the laws of the State of California.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed the Agreement as of the date and year first set forth above.

**TRANSFEROR:**

VILLAGE GREEN PRESERVATION LP,  
a California limited partnership

By: Village Green GP LLC,  
a California limited liability company,  
its Administrative General Partner

By: \_\_\_\_\_  
Julie Driscoll  
Vice President

By: Hearthstone CA Properties III, LLC,  
a California limited liability company,  
its Managing General Partner

By: Hearthstone Housing Foundation,  
a California nonprofit public benefit corporation,  
its Sole Member and Manager

By: \_\_\_\_\_  
Ted E. Bean  
Vice President

STATE OF WASHINGTON                    )  
                                                          )  
COUNTY OF \_\_\_\_\_)

I certify that I know or have satisfactory evidence that Julie Driscoll is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Vice President of Village Green GP LLC, a California limited liability company, the administrative general partner of Village Green Preservation LP, a California limited partnership, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: \_\_\_\_\_

(Seal or stamp)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

My appointment expires: \_\_\_\_\_



## 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

County of \_\_\_\_\_)

On \_\_\_\_\_, before me, \_\_\_\_\_  
(insert name and title of the officer)

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)

**TRANSFeree:**

VILLAGE GREEN TAX CREDIT LP,  
a California limited partnership

By: Village Green Tax Credit GP LLC,  
a California limited liability company,  
its Administrative General Partner

By: \_\_\_\_\_  
Steve TeSelle  
Vice President

By: Las Palmas Housing and Development Corporation,  
a California nonprofit public benefit corporation,  
its Managing General Partner

By: \_\_\_\_\_  
Noami Pines  
Executive Vice President

STATE OF WASHINGTON                    )  
                                                          )  
COUNTY OF \_\_\_\_\_)

I certify that I know or have satisfactory evidence that Steve TeSelle is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Vice President of Village Green Tax Credit GP LLC, a California limited liability company, the administrative general partner of Village Green Tax Credit LP, a California limited partnership, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: \_\_\_\_\_

(Seal or stamp)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

My appointment expires: \_\_\_\_\_

## 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

County of \_\_\_\_\_)

On \_\_\_\_\_, before me, \_\_\_\_\_  
(insert name and title of the officer)

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)

**COUNTY:**

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

By: \_\_\_\_\_  
Dawn Rowe, Chair  
Board of Supervisors

Date: \_\_\_\_\_

SIGNED AND CERTIFIED THAT A COPY OF THIS  
DOCUMENT HAS BEEN DELIVERED TO THE CHAIR  
OF THE BOARD

Lynna Monell  
Clerk of the Board of Supervisors  
Of San Bernardino County

By: \_\_\_\_\_  
Deputy

APPROVED AS TO LEGAL FORM:  
TOM BUNTON  
County Counsel

By: \_\_\_\_\_  
Deputy County Counsel

Date: \_\_\_\_\_

## 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

County of \_\_\_\_\_)

On \_\_\_\_\_, before me, \_\_\_\_\_  
(insert name and title of the officer)

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)

## **EXHIBIT A**

### Legal Description

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

ALL THAT PORTION OF THE SOUTHEAST  $\frac{1}{4}$  OF SECTION 7, TOWNSHIP 1 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF THE SOUTHWEST  $\frac{1}{4}$  OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 7, WHICH IS 600.42 FEET EAST OF THE NORTHWEST CORNER OF SAID SOUTHWEST  $\frac{1}{4}$  OF THE SOUTHEAST  $\frac{1}{4}$  OF SECTION 7; THENCE SOUTH  $04^{\circ}11'45''$  WEST 999.28 FEET TO A POINT 996.00 FEET SOUTH OF SAID NORTH LINE AND 524.92 FEET EAST OF THE WEST LINE OF SAID SOUTHWEST  $\frac{1}{4}$  OF SAID SOUTHEAST  $\frac{1}{4}$ ; THENCE NORTH  $89^{\circ}56'52''$  EAST 894.68 FEET, MORE OR LESS, TO THE WEST LINE OF TRACT NO. 5456, AS PER MAP RECORDED IN BOOK 66, PAGES 49 AND 50 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTH  $02^{\circ}51'46''$  EAST 630.12 FEET ALONG THE WEST LINE OF SAID TRACT NO. 5456, TO AN ANGLE POINT THEREIN; THENCE NORTH  $09^{\circ}41'54''$  WEST 61.85 FEET ALONG SAID WESTERLY LINE TO A POINT ON THE SOUTH LINE OF TRACT NO. 5457, AS PER MAP RECORDED IN BOOK 66, PAGES 51 AND 52 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTH  $72^{\circ}28'30''$  WEST 43.60 FEET ALONG THE BOUNDARY OF SAID TRACT NO. 5457 TO AN ANGLE POINT THEREIN; THENCE NORTH  $00^{\circ}13'11''$  WEST ALONG THE WESTERLY LINE OF SAID TRACT NO. 5457 A DISTANCE OF 293.80 FEET, MORE OR LESS, TO THE NORTH LINE OF SAID SOUTHWEST  $\frac{1}{4}$  OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 7; THENCE SOUTH  $89^{\circ}53'48''$  WEST ALONG SAID NORTH LINE, A DISTANCE OF 799.92 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

APN: 0142-361-21-0-000

## **EXHIBIT B**

### **FANNIE MAE RIDER TO REGULATORY AGREEMENT**

**THIS FANNIE MAE RIDER TO REGULATORY AGREEMENT (“Rider”)** is attached to and forms a part of the **REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS (“Regulatory Agreement”)**, dated as of **May 1, 1998**, by and among **SB VILLAGE GREEN APARTMENTS, L.P.**, a California limited partnership (**“Borrower”**), its successors and assigns, the **COUNTY OF SAN BERNARDINO**, a political subdivision of the State of California (**“Issuer”**) and **U.S. BANK TRUST NATIONAL ASSOCIATION**, a national banking association organized and existing under and by virtue of the laws of the United States of America, as trustee (together with any successor in such capacity, the **“Trustee”**), as Trustee, as previously amended.

1. **Definitions.** All capitalized terms used in this Rider have the meanings given to those terms in the Regulatory Agreement.

2. **Applicability.** This Rider shall amend and supplement the Regulatory Agreement. In the event any provision of this Rider conflicts with the Regulatory Agreement, this Rider shall supersede the conflicting provision of the Regulatory Agreement. This Rider shall apply in spite of the fact that the covenants, reservations and restrictions of the Regulatory Agreement run with the land and may be deemed applicable to any successor in interest to the Borrower.

3. **Obligations not Secured by the Mortgaged Property.** The Regulatory Agreement shall not constitute a mortgage, equitable mortgage, deed of trust, deed to secure debt or other lien or security interest in the Mortgaged Property. None of the obligations of the Borrower or any subsequent owner of the Mortgaged Property under the Regulatory Agreement shall be secured by a lien on, or security interest in, the Mortgaged Property. All such obligations are expressly intended to be and shall remain unsecured obligations. The occurrence of an event of default under the Regulatory Agreement shall not impair, defeat or render invalid the lien of the Security Instrument.

4. **Subordination.** The terms, covenants and restrictions of the Regulatory Agreement, other than those set forth in Sections 4 and 4A, and this Rider, are and shall at all times remain subject and subordinate, in all respects, to the liens, rights and interests created under the Loan Documents. The terms, covenants and restrictions of the Regulatory Agreement and this Rider will terminate and be of no force and effect following foreclosure, deed in lieu of foreclosure or comparable conversion of the Loan under the circumstances set forth in Section 10 of the Regulatory Agreement.

5. **Obligations Personal.** The Issuer agrees that no owner of the Mortgaged Property (including Fannie Mae) subsequent to the Borrower will be liable for, assume or take title to the Mortgaged Property subject to:



(a) any failure of any prior owner of the Mortgaged Property to perform or observe any representation or warranty, affirmative or negative covenant or other agreement or undertaking under the Regulatory Agreement; and

(b) the payment of any indemnification, compensation or any accrued unpaid fees, costs, expenses or penalties otherwise owed by any prior owner of the Mortgaged Property under the Regulatory Agreement.

The Borrower and each subsequent owner of the Mortgaged Property shall be responsible under the Regulatory Agreement for its own acts and omissions occurring during the period of its ownership of the Mortgaged Property. All such liability and obligations shall be and remain personal to such person even after such person ceases to be the owner of the Mortgaged Property.

6. **Sale or Transfer; or Incurrence of Additional Indebtedness**

(a) **Restrictions Not Applicable to Certain Transfers.** All provisions of the Regulatory Agreement regarding the sale or transfer of the Mortgaged Property or of any interest in the Borrower, including any requirement, limitation or condition precedent for any of (i) the consent of the Issuer or the Trustee to such transfer, (ii) an agreement by any transferee to abide by the requirements and restrictions of the Regulatory Agreement, (iii) transferee criteria or other similar requirements, (iv) an opinion of legal counsel and (v) the payment of any assumption fee, transfer fee, penalty or other charges, shall not apply to any of the following:

(1) any transfer of title to the Mortgaged Property to Fannie Mae or to a third party by foreclosure, deed in lieu of foreclosure or comparable conversion of any lien on the Mortgaged Property or to any subsequent transfer by Fannie Mae (or a third party) following such foreclosure, deed in lieu of foreclosure or comparable conversion;

(2) any execution and delivery of a mortgage, deed of trust, deed to secure debt or other lien by the Borrower to secure any additional indebtedness of the Borrower which is originated by a lender for sale to Fannie Mae or guaranteed or otherwise credit enhanced by Fannie Mae; and

(3) provided that no Bonds are then Outstanding or all Bonds are to be simultaneously fully paid, redeemed or defeased, any execution and delivery of a mortgage, deed of trust, deed to secure debt or other lien by the Borrower to secure any indebtedness incurred by the Borrower which effectively refinances the Loan.

(b) **Incurrence of Additional Indebtedness.** All the provisions of the Regulatory Agreement relating to the incurrence of additional indebtedness, including but not limited to any requirement, limitation or condition precedent for the consent of the Issuer to such incurrence of additional indebtedness, will not apply to any “Supplemental Loan” or similar loan, originated by a Fannie Mae DUS lender and sold and/or assigned to Fannie Mae, which is secured by the Property and subordinate in priority of lien to the Loan.

(c) **Fannie Mae Rights to Consent Not Impaired.** Nothing contained in the Regulatory Agreement shall affect any provision of the Security Instrument or any Loan Document which requires the Borrower to obtain the consent of Fannie Mae as a precondition to sale, transfer or other disposition of, or any direct or indirect interest in, the Mortgaged Property or of any direct or indirect interest in the Borrower, excluding transfers permitted by the Security Instrument.

(d) **Conclusive Evidence.** Any written consent to a sale or transfer obtained from the Issuer shall constitute conclusive evidence that the sale or transfer is not a violation of the transfer provisions of the Regulatory Agreement.

7. **Damage, Destruction or Condemnation of the Mortgaged Property.** In the event that the Mortgaged Property is damaged or destroyed or title to the property, or any part thereof, is taken through the exercise or the threat of the exercise of the power of eminent domain, the Borrower shall comply with all applicable requirements of the Security Instrument and the other Loan Documents.

8. **Regulatory Agreement Default.** Notwithstanding anything contained in the Regulatory Agreement to the contrary:

(a) The occurrence of an event of default under the Regulatory Agreement shall not impair, defeat or render invalid the lien of the Security Instrument.

(b) The occurrence of an event of default under the Regulatory Agreement shall not be or be deemed to be a default under the Loan Documents, except as may be otherwise specified in the Loan Documents.

The Issuer and the Trustee acknowledge and agree that none of the Issuer, the Trustee or any Person under their control shall exercise any remedies or direct any proceedings under this Regulatory Agreement without the prior written consent of Fannie Mae other than to enforce rights of specific performance or injunctive relief under the Regulatory Agreement.

9. **Amendments.** The Issuer shall not consent to any amendment, supplement to, or restatement of the Regulatory Agreement without the prior written consent of Fannie Mae.

10. **Termination.** The Regulatory Agreement may be terminated upon agreement by the Issuer, the Trustee, and the Borrower upon receipt of an opinion of a nationally recognized bond counsel acceptable to the Trustee that such termination will not adversely affect the exclusion of the interest on the Bonds from gross income for federal income purposes. So long as the Bonds have been redeemed or are redeemed within a reasonable period thereafter, the Regulatory Agreement shall terminate and be of no further force or effect from and after the date of any transfer of title to the Mortgaged Property by foreclosure, deed in lieu of foreclosure or comparable conversion of any lien on the Mortgaged Property; provided, however, that the preceding provisions of this sentence shall cease to apply and the restrictions contained in the Regulatory Agreement shall be reinstated if, at any time subsequent to the termination of such provisions as the result of the foreclosure or the delivery of a deed in lieu of foreclosure or a similar event, the Borrower or any

related person (within the meaning of Section 1.103-10(e) of the Regulations) obtains an ownership interest in the Mortgaged Property for federal income tax purposes.

11. **Third-Party Beneficiary.** The parties to the Regulatory Agreement recognize and agree that the terms of the Regulatory Agreement and the enforcement of those terms are essential to the security of Fannie Mae and are entered into for the benefit of various parties, including Fannie Mae. Fannie Mae shall accordingly have contractual rights in the Regulatory Agreement and shall be entitled (but not obligated) to enforce, separately or jointly with the Issuer and/or the Trustee, or to cause the Issuer or the Trustee to enforce the terms of the Regulatory Agreement. In addition, the Owner and the Issuer intend that Fannie Mae be a third-party beneficiary of the Regulatory Agreement.

12. **Copies of Notices under the Regulatory Agreement.** Copies of all notices under the Regulatory Agreement shall be sent to the Loan Servicer at the address set forth below or to such other address as the Loan Servicer may from time to time designate:

Capital One, National Association  
1680 Capital One Drive  
McLean, Virginia 22102  
Attention: Agency Finance Asset Management  
Email: [assetmanagement@capitalone.com](mailto:assetmanagement@capitalone.com)

13. **Notices.** Any notice to be given to Fannie Mae shall be sent to Fannie Mae at the address set forth below or to such other address as Fannie Mae may from time to time designate:

Fannie Mae  
1100 Fifteenth Street, NW  
Drawer AM  
Washington, DC 20005  
Attention: Director, Multifamily Asset Management  
Telephone: (301) 204-8008  
Facsimile: (301) 280-2065

**RE: California Municipal Finance Authority Multifamily  
Housing Revenue Bonds (Village Green Apartments) 2025  
Series A; Capital One, National Association**

with a copy to:

Fannie Mae  
1100 Fifteenth Street, NW  
Drawer AM  
Washington, DC 20005  
Attention: Director, Multifamily Operations  
Telephone: (301) 204-8422  
Facsimile: (202) 752-8369

**RE: California Municipal Finance Authority Multifamily  
Housing Revenue Bonds (Village Green Apartments) 2025  
Series A; Capital One, National Association**

**EXHIBIT C**

Events of Default

None.

**EXHIBIT D**

Fees and Expenses

**San Bernardino County  
Community Development and Housing Department  
560 E. Hospitality Lane  
San Bernardino, CA 92415-0043  
(909) 382-3995**

Date: October 2, 2025

Invoice No. **1-VG**

Name SB Village Green Apartments, L. P.  
Village Green Apartments, Operating Account  
Address 18100 Von Karman Avenue, Suite 500  
Irvine, CA 92612

cc: Linda Mawby

Payment due: upon close of  
escrow

Description		Total
Village Green Apartments Reimbursement of Staff costs due to transfer of property		
Becky Sanabria	Housing Development Manager	\$ 1,313.40
Carrie Harmon	Director of Community Development and Housing	\$ 346.21
Suzanne Bryant	In Housing County Counsel	\$ 768.75
Leslie Yeun	Executive Secretary to EDA Assistant Administrator	\$ 161.43
Balance Due		\$ 2,589.79

**Make Check Payable to: County of San Bernardino**

Send to: Community Development and Housing  
560 E. Hospitality Lane  
San Bernardino, CA 92415-0043  
Attn: Becky Sanabria

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\* Please cut and return this bottom portion with your payment \*

Village Green Tax Credit LP  
Village Green Apartments, Operating Account

Invoice No: 1-VG

Payment Due	Total Due	Amount Paid
upon close of escrow	\$2,589.79	