

FIRST AMENDMENT TO PROMISSORY NOTE

THIS FIRST AMENDMENT TO PROMISSORY NOTE (“Amendment”), dated as of January 24, 2023, is entered into by the undersigned BORROWER to amend the PROMISSORY NOTE dated as January 13, 2000 as follows:

It is hereby agreed and understood that the Promissory Note shall be amended as follows:

Paragraphs 2 and 3 of the Promissory Note are hereby deleted and replaced as follows:

2. Repayments of this loan shall be consistent with Section 205. Of the HOME Loan Agreement, as amended, as follows: The Borrower or the Designated Owner shall submit annually to the County the Annual Financial Statement for The Crossings for the preceding year, not later than ninety (90) days after the end of the first calendar year (or partial year) covering the operation of the Project, and annually thereafter on the same day and month. The Borrower shall make repayments of the County Loan in the amount of fifty percent (50%) of the Residual Receipts for such prior year (the County’s “Share”) on July 1 of each year. The amount will be determined after a review of the Annual Financial Statements. Payment of the County’s Share of the Residual Receipts shall be credited first against unpaid accrued interest generated, and then against outstanding principal.

Notwithstanding the foregoing, the balance due under the Note shall be immediately due and payable at the election of the County upon the earlier of (i) the sale, lease, exchange, assignment or other conveyance (whether voluntary or by operation of law) of all or any part of the Property or any interest in the Property (other than the lease of Affordable Units to Very Low-Income and Low-Income tenants pursuant to the terms of this Agreement; (ii) the refinancing of the County Loan; or (iii) an Event of Default by the Borrower or the Designated Owner as defined in Section 501 hereinbelow. The note shall automatically be due and payable upon sale or transfer of the Property.

3. The unpaid balance of the loan, any interest incurred, and any residual receipts shall be due and payable on January 1, 2056.

Except as expressly amended and modified by this Amendment, the Promissory Note is and shall continue to be in full force and effect in accordance with the terms thereof. In the event of

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conflict between this Amendment and the original Promissory Note, the terms of this Amendment shall control.

BORROWER:

Rialto Housing Partners, L.P., a California limited partnership

By: Southern California Housing Development Corporation of the Inland Empire, a California nonprofit public benefit corporation

Its: Managing General Partner

By: _____

Name: _____

Its: _____

Date: _____