



Contract Number

26-71

SAP Number

Community Development and Housing Department

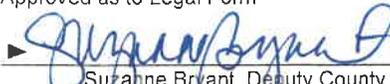
<p>Department Contract Representative</p> <p>Telephone Number</p> <p>Contractor</p> <p>Contractor Representative</p> <p>Telephone Number</p> <p>Contract Term</p> <p>Original Contract Amount</p> <p>Amendment Amount</p> <p>Total Contract Amount</p> <p>Cost Center</p> <p>Grant Number (if applicable)</p>	<p>Carrie Harmon</p> <hr/> <p>909-382-3983</p> <hr/> <p>Lutheran Social Services of Southern California</p> <hr/> <p>Tauseef Raza</p> <hr/> <p>714.263.1427</p> <hr/> <p>February 10, 2026 – February 10, 2041</p> <hr/> <p>\$1,480,000</p> <hr/> <p>N/A</p> <hr/> <p>\$1,480,000</p> <hr/> <p></p> <hr/> <p></p> <hr/>
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Briefly describe the general nature of the contract:

The County Revocable Grant Agreement provides \$1,480,000 in funding to Lutheran Social Services of Southern California for a 15-year term to support the development of the San Bernardino Wellness Campus, located at 1328, 1329, and 1354 North G Street in San Bernardino. The Project will provide 140 units of interim housing.

FOR COUNTY USE ONLY

Approved as to Legal Form

▶ 
Suzanne Bryant, Deputy County Counsel

Date 1-29-2026

Reviewed for Contract Compliance

▶ _____

Date _____

Reviewed/Approved by Department

▶ _____
Carrie Harmon, Director

Date _____

REVOCABLE GRANT AGREEMENT

Between

San Bernardino County

and

Lutheran Social Services of Southern California

dated as of February 10, 2026

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REVOCABLE GRANT AGREEMENT
(San Bernardino Wellness Campus)

This Revocable Grant Agreement (the "Agreement") is entered into as of February 10, 2026 (the "Effective Date"), by and between San Bernardino County, a political subdivision of the State of California (the "County"), and Lutheran Social Services of Southern California, a California nonprofit public benefit corporation, and its permitted successors and assigns (the "Grantee"), with reference to the following facts:

RECITALS

This Agreement is entered into on the basis of the following facts, understandings and intentions of the County and Grantee.

A. These Recitals refer to and utilize certain capitalized terms which are 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. Grantee owns that certain real property located 1328, 1329, 1354 North G Street, City of San Bernardino, San Bernardino County, State of California, as further described on the attached Exhibit A incorporated herein (the "Property").

C. Grantee intends to construct 140 private studio units of Interim Housing (excluding 1 unrestricted manager's unit), and an administrative building for Eligible Participants (the "Improvements"). The Improvements and the Property are referred to as the "Development."

D. Grantee wishes to accept from the County and the County wishes to extend to Grantee a grant of One Million Four Hundred Seventy-Nine Thousand Five Hundred Ninety-Seven Dollars (\$1,479,597) Housing and Homelessness Incentive Program ("HHIP") funds for (the "County Grant"). The County Grant will be evidenced by this Agreement and will be subject to the terms and conditions set forth in Program Provisions and Special Conditions. No portion of the County Grant may be used for costs not associated with the Improvements.

E. Pursuant to the California Environmental Quality Act and its implementing guidelines, the City of San Bernardino found that CEQA imposes no conditions on the Development, because the Development is exempt from CEQA requirements under Health and Safety Code Section 50675.1.4.

NOW, THEREFORE, the Parties agree as follows:

ARTICLE 1.
DEFINITIONS AND EXHIBITS

Section 1.1 Definitions.

The following capitalized terms have the meanings set forth in this Section 1.1 wherever used in this Agreement, unless otherwise provided:

- (a) "Agreement" means this Revocable Grant Agreement.
- (b) "At Risk of Homelessness Household" means a household that is at risk of homelessness, as defined in Section 578.3 of Title 24 of the Code of Federal Regulation.
- (c) "City" means the City of San Bernardino, a municipal corporation.
- (d) "Completion of Construction" means the date the construction of the Improvements, respectively is completed as evidenced by the issuance of a certificate of occupancy or equivalent document issued by the City, to certify completion of the rehabilitation work.
- (e) "County" means San Bernardino County, a political subdivision of the State of California.
- (f) "County Board of Supervisors" means the Board of Supervisors of the County.
- (g) "County Executive Officer" means the County's Chief Executive Officer.
- (h) "County Grant" has the meaning set forth in Recital D.
- (i) "Default" shall have the meaning set forth in Section 6.1 below.
- (j) "Eligible Participants" means Inland Empire Health Plan members who are At Risk of Homelessness Households or Homeless Households referred by the County's Office of Homeless Services (OHS), through the Coordinated Entry System (CES). All those participating with CES will need to apply to participate in the Homeless Management Information System (HMIS).
- (k) "Financing Budget" means the financing plan approved by the County as of the date of this Agreement, attached to this Agreement as Exhibit B, incorporated herein by this reference, which includes an operating proforma for the fifteen (15) years of operation of the Development including funding for the provision of supportive services.
- (l) "Grantee" has the meaning set forth in the opening paragraph of this Agreement.
- (m) "Homeless Household" means housing for individuals and families who are experiencing homelessness, as defined in Section 578.3 of Title 24 of the Code of Federal Regulation.
- (n) "Interim Housing" means a facility that is primarily intended to provide temporary shelter or lodging for individuals and families who are experiencing homelessness or who are at risk of homelessness, as defined in Section 578.3 of Title 24 of the Code of Federal

Regulation, where the participant is not required to pay toward the cost of housing and which does not require occupants to sign leases or occupancy agreements.

(o) "Parties" means the County and Grantee.

(p) "Regulatory Agreement" means the Regulatory Agreement and Declaration of Restrictive Covenants that will be recorded against the Grantee's interest in the Property and will restrict the occupancy of the Improvements to Eligible Participants. The form of Regulatory Agreement is attached hereto as Exhibit E, incorporated herein by this reference.

(q) "Revocable Grant Deed of Trust" means that certain Revocable Grant Leasehold Deed of Trust, of even date herewith, among Grantee, as Trustor, Chicago Title Company, as trustee, and the County, as beneficiary, that will encumber the Property to secure performance of the covenants of the Revocable Grant Documents. The form of the Deed of Trust is attached hereto as Exhibit D, incorporated herein by this reference.

(r) "Revocable Grant Documents" means this Agreement, the Regulatory Agreement, the Revocable Grant Deed of Trust, and any other document or agreement evidencing the County Grant.

(s) "Schedule of Performance" means the schedule for obligations to be performed by the Grantee associated with the Improvements attached hereto as Exhibit F, incorporated herein by this reference.

(t) "Scope of Work" means the work to be performed by the Grantee associated with the minor rehabilitation of the Improvements attached hereto as Exhibit C, incorporated herein by this reference.

(u) "Term" means the fifteen (15) year term of this Agreement which commences on the Authorization to Operate form or similar from Southern California Edison.

Section 1.2 Exhibits.

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

Exhibit A:	Legal Description
Exhibit B:	Financing Budget
Exhibit C:	Scope of Work
Exhibit D:	Revocable Grant Deed of Trust
Exhibit E:	Regulatory Agreement
Exhibit F:	Schedule of Performance
Exhibit G:	Campaign Contribution Disclosure

ARTICLE 2. GRANT PROVISIONS

Section 2.1 Grant.

Upon satisfaction of the conditions set forth in Section 2.7 of this Agreement, the County shall grant to the Grantee the County Grant in the principal amount not to exceed One Million Four Hundred Eighty Thousand Dollars (\$1,480,000) for the purposes set forth in Section 2.6 of this Agreement.

Section 2.2 Security.

Grantee shall secure its obligation to repay the County Grant in the event of Default by executing the Revocable Grant Deed of Trust, and recording it as a lien against the Property, in a lien position approved by the County.

Section 2.3 Forgiveness of County Grant.

(a) Provided that no Default exists, without further action or approval of the parties, the County Grant shall be forgiven in the following amount on the following dates:

(1) On the fifth (5th) anniversary of the completion date and so long as the Grantee continues to comply with the terms of the Regulatory Agreement, Four Hundred Ninety-Three Thousand Three Hundred Thirty-Three Dollars (\$493,333) of the County Grant shall be forgiven;

(2) On the tenth (10th) anniversary of the completion date and so long as the Grantee continues to comply with the terms of the Regulatory Agreement, an additional Four Hundred Ninety-Three Thousand Three Hundred Thirty-Three Dollars (\$493,333) of the County Grant shall be forgiven;

(3) On the fifteenth (15th) anniversary of the completion date and so long as the Grantee continues to comply with the terms of the Regulatory Agreement, an additional Four Hundred Ninety-Three Thousand Three Hundred Thirty-Four Dollars (\$493,334) of the County Grant shall be forgiven;

(b) Upon the written request of Grantee, in connection with the forgiveness of the County Grant set forth above, or at such other times as may be requested by Grantee, the County shall deliver a written notice to Grantee evidencing the outstanding balance of the County Grant, and amounts previously forgiven by the County. Notwithstanding anything to the contrary, the forgiveness of the County Grant pursuant to the terms of this Section shall have no effect on the Regulatory Agreement which shall remain in full force and effect for the term specified therein.

Section 2.4 Revocation of Grant Upon Default.

Notwithstanding any provision herein to the contrary, and in addition to any other rights and remedies available to the County set forth in Article 5, upon a Default by Grantee, the County may revoke the outstanding balance of the County Grant, and declare the outstanding balance of the County Grant plus interest thereon to be immediately due and payable, subject to the non-recourse provisions set forth in Section 2.9.

Section 2.5 Interest on Default.

In the event of a Default, interest on the County Grant shall begin to accrue, as of the date of Default and continuing until such time as the outstanding balance of the County Grant funds are repaid in full (other than any portion of the County Grant that has been previously forgiven by the County as set forth in Section 2.3 above) or the Default is cured, at the default rate of the lesser of ten percent (10%), compounded annually, or the highest rate permitted by law.

Section 2.6 Use of Grant Funds.

(a) Grantee shall use the Grant Funds to finance Scope of Work identified in the attached Exhibit C.

(b) The Grantee shall use the Grant Funds solely for the purpose of funding the Scope of Work consistent with the Financing Budget for the Development. The Grantee shall not use the Grant Funds for any other purpose without the prior written consent of the County.

(c) Any costs to be paid for with Grant Funds must be eligible uses consistent with the Program Provisions and Special Conditions. None of the County Grant funds may be used for costs associated with activities in violation of any law or for any activities not consistent with this Agreement. The Grantee's failure to comply with the requirements of this Section 2.6 shall constitute a Default under Section 6.1.

(d) The Grantee shall not use the County Grant funds to supplant funds provided by the County to the Grantee under any other memorandum of understanding or agreement. The Grantee shall include a term in every subaward and contract that prohibits the subrecipient or contractor from using the County Grant funds to supplant funding provided by the County directly or indirectly to the subrecipient or contractor.

Section 2.7 Conditions Precedent to Disbursement.

(a) The disbursement made pursuant to this section may not exceed the amount of the County Grant and shall only be requested at such time they are needed by the Grantee to pay eligible costs. The disbursements may be readjusted by the County Executive Officer on behalf of the County without the need for formal amendment of this Agreement. The County will disburse the various components of the County Grant subject to the conditions precedent set forth below. The County shall not be obligated to make any disbursements of the County Grant funds or take any other action under the Agreement unless the following conditions precedent are satisfied prior to each such disbursement of the County Grant:

(b) The maximum amount of County Grant funds to be disbursed pursuant to this Section shall not exceed County Grant. The County is not obligated to make a disbursement of the Grant Funds or to take any other action under the Revocable Grant Documents unless the following conditions precedent are satisfied prior to each such disbursement of the County Grant:

(1) There exists no Default nor any act, failure, omission or condition that would constitute an event of Default under this Agreement;

(2) The Grantee shall provide the County with a certified copy of the Grantee's organizational documents and an authorizing resolution authorizing execution this Agreement and the transactions contemplated by this Agreement, and any agreements required pursuant to this Agreement;

(3) Grantee has executed and delivered to County all Revocable Grant Documents, and any other documents, instruments, and policies required under this Agreement;

(4) County has approved any necessary updates on the Scope of Work and Financing Budget, if necessary;

(5) Grantee has obtained all permits and approvals necessary for the construction of expansion of the Development necessary to perform the Scope of Work pursuant to the terms of this Agreement;

(6) The Grantee has submitted a certification from the architect or the Certified Access Specialist certifying that Development has been designed in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794, *et seq.*) and the Uniform Federal Accessibility Standards (UFAS), as applicable;

(7) Grantee has furnished the County with evidence of the insurance coverage meeting the requirements under this Agreement;

(8) The Regulatory Agreement and Deed of Trust have been recorded against the Grantee's leasehold interest in the Property in the Office of the Recorder of the County of San Bernardino in a lien position approved by the County, in accordance with the terms of this Agreement, and recorded copies have been arranged to be delivered to the County;

(9) A title insurer reasonably acceptable to the County is unconditionally and irrevocably committed to issuing an LP-10 2006 ALTA Lender's Policy of title insurance insuring the priority of the Deed of Trust in the amount of the County Grant, subject only to such exceptions and exclusions as may be reasonably acceptable to the County, and containing such endorsements as the County may reasonably require. The Grantee shall provide whatever documentation (including an indemnification agreement), deposits or surety that is reasonably required by the title company in order for the Deed of Trust to be senior in lien priority to any mechanics liens in connection with any early start of construction that has occurred prior to the recordation of the Deed of Trust against the Property in the Office of the Recorder of the San Bernardino County;

(10) The County has determined the County Grant, together with other funds or firm commitments for funds that the Grantee has obtained, or reasonably expect to obtain, in connection with the acquisition and conversion of the Development, are not less than the amount the County determines is necessary to pay for the acquisition and conversion of the Development and to satisfy all of the covenants contained in this Agreement and the Regulatory Agreement; and

(11) The County has received a written reimbursement draw request, in the form attached as Exhibit I, from Grantee, including (1) certification that the conditions set

forth in Section 2.6, continue to be satisfied, (2) certification that the proposed use of funds is consistent with the approved Financing Budget, (3) the amount of funds needed, and, (4) where applicable, a copy of the bill or invoice covering a cost incurred or to be incurred. When a disbursement is requested to pay any contractor in connection with improvements on the Property, the written request must be accompanied by: (1) certification by the Grantee's contractor reasonably acceptable to the County that the work for which disbursement is requested has been completed (although the County reserves the right to inspect the Property and make an independent evaluation); and (2) lien releases and/or mechanics lien title insurance endorsements reasonably acceptable to the County. The County will make best efforts to fund draw requests within thirty (30) days from receipt of a complete draw request. If a draw request includes reimbursement for costs to be incurred, then the Grantee shall provide proof of payment for such costs within fifteen (15) days of the disbursement of County Grant funds.

(c) The County, may in the sole and absolute discretion of the County Chief Executive Officer, may elect to disburse the Grant funds into a construction disbursement account in accordance with the terms of this Section 2.7, without any further approval of the Board of Supervisors and without need to amend this Agreement.

Section 2.8 Return of Capital Contribution.

The Grantee agrees and acknowledges that the County is making the County Grant to allow for the Development to sustain operations in conformance with the Regulatory Agreement for the longest feasible time. The Grantee further agrees and acknowledges that the Grantee shall not be allowed to refinance any loan or mortgage encumbering the Development which results in the Developer receiving any cash out.

Section 2.9 Non-Recourse.

Neither Grantee, nor Grantee's governing board members, supervisors, directors, officers, employees, agents, or successors and assigns shall have any direct or indirect personal liability for payment of the principal of, and interest on, the County Grant.

Section 2.10 Subordination.

The County Regulatory Agreement must be recorded in a lien position acceptable to the County and shall not be subordinated to any lien or encumbrance proposed to be recorded against the Property except that the County agrees and acknowledges that the Homekey Regulatory Agreement is recorded in first lien position. The City of San Bernardino's Permanent Local Housing Allocation Regulatory Agreement will be recorded in second lien position. The County's Regulatory Agreement and Declaration of Restrictive Covenants will be recorded in third lien position.

ARTICLE 3.

REHABILITATION OF IMPROVEMENTS

Section 3.1 Schedule of Performance.

Grantee shall perform the tasks described in the Schedule of Performance no later than the dates set forth in the Schedule of Performance. The Schedule of Performance may be modified in writing by Grantee and the County Executive Officer on behalf of the County without the need for formal amendment of this Agreement or further approval by the Board of Supervisors, approval of any amendment shall not be unreasonably conditioned, delayed, or withheld.

Section 3.2 Permits and Approvals.

Grantee shall make best efforts to obtain all permits and approvals necessary for completion of the rehabilitation of the Improvements no later than the date set forth in the Schedule of Performance.

Section 3.3 Construction Bonds.

By the date set forth in the Schedule of Performance, the Grantee shall deliver to the County copies of labor and material bonds and performance bonds for the completion of the Scope of Work in an amount equal to one hundred percent (100%) of the scheduled cost of the rehabilitation of Improvements being funded by this Grant. The bonds required under this Section shall be issued by a surety licensed to do business in California and reasonably acceptable to the County. Such bonds must name the County as a co-obligee.

Section 3.4 Commencement of Construction.

Grantee shall cause the commence the activities required under the Scope of Work no later than the date set forth in the Schedule of Performance.

Section 3.5 Completion of Construction.

The Grantee shall diligently prosecute to completion the construction of the Scope of Work no later than the date set forth in the Schedule of Performance, unless the County and the Grantee agree to extend such date in writing.

Section 3.6 Construction Pursuant to Plans and Laws; Prevailing Wages; Accessibility.

(a) Changes. Grantee shall complete the work on the Improvements in accordance with Scope of Work and the terms and conditions of the land use permits and approvals and building permits, including any variances granted. Grantee shall request consent from the County prior to making any material changes in the work required to be performed under this Agreement, including any material additions, changes, or deletions to the Scope of Work. Consent to any additions, changes, or deletions to the work do not relieve or release Grantee from any other obligations under this Agreement, or relieve or release Grantee or its surety from any surety bond. Approvals by the County for any changes shall not be unreasonably conditioned, delayed, or withheld.

(b) Compliance with Laws. The Grantee shall cause all work performed in connection with the Scope of Work to be performed in compliance with all applicable laws,

ordinances, rules and regulations of federal, state, county or municipal governments or agencies now in force or that may be enacted hereafter including without limitation and to the extent applicable, all directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction. The work will proceed only after procurement of each permit, license, or other authorization that may be required by any governmental agency having jurisdiction, and Grantee shall be responsible to the agency for the procurement and maintenance thereof, as may be required of Grantee and all entities engaged in work on the Improvements.

(c) Prevailing Wages. Grantee shall cause all work performed in connection with the Scope of Work or any improvements on the Property and shall cause its respective contractors and subcontractors to pay prevailing wages in performing the Improvements activities or any improvements on the Property as may be required under Labor Code Sections 1720 et seq. (the "Prevailing Wage Requirements"), and the implementing regulations of the Department of Industrial Relations (the "DIR"), to employ apprentices as required by Labor Code Sections 1777.5 et seq., and the implementing regulations of the DIR and comply with the other applicable provisions of Labor Code Sections 1720 et seq., 1777.5 et seq., 1810-1815, and implementing regulations of the DIR. To the extent Prevailing Wage Requirements are applicable, Grantee shall and shall cause its respective contractors and subcontractors to keep and retain such records as are necessary to determine if such prevailing wages have been paid as required pursuant to Labor Code Sections 1720 et seq., and that apprentices have been employed as required by Labor Code Section 1777.5 et seq., and shall, from time to time upon the request of the County provide to the County such records and other documentation reasonably requested by the County. Copies of the currently applicable per diem prevailing wages are available from the County. To the extent Prevailing Wage Requirements are applicable, Grantee shall post the applicable prevailing rates of per diem wages at the Property. To the extent Prevailing Wage Requirements are applicable, Grantee shall cause its respective contractors and subcontractors to be registered as set forth in Labor Code Section 1725.5. In addition, and only to the extent Prevailing Wage Requirements are applicable, Grantee shall cause its respective contractors and subcontractors to do all the following:

(1) All calls for bids, bidding materials and the construction contract documents for the Improvements must specify that: (i) No contractor or subcontractor may be listed on a bid proposal nor be awarded a contract for the Improvements unless registered with the DIR pursuant to Labor Code Section 1725.5; and (ii) The Improvements is subject to compliance monitoring and enforcement by the DIR;

(2) To the extent required by law: (i) Grantee is required to provide the County all information required by Labor Code Section 1773.3 as set forth in the DIR's online form PWC-100 within two (2) days of the award of the contract (<https://www.dir.ca.gov/pwc100ext/>); (ii) Grantee shall cause its respective contractors to post job site notices, as prescribed by applicable DIR regulations; and (iii) Grantee shall cause its respective contractors to furnish payroll records required by Labor Code Section 1776 directly to the Labor Commissioner, at least monthly in the electronic format prescribed by the Labor Commissioner.

(3) A weekly certified payroll submitted through LCP Tracker is required during the term of construction of the Improvements. Payment of disbursement components may be delayed when certified payrolls are not properly submitted.

(4) For purposes of this Section, the "initial construction" of the Improvements shall mean the work required under the Scope of Work and obtain the Authorization to Operate form or similar from Southern California Edison.

(d) Grantee shall indemnify, hold harmless and defend (with counsel reasonably acceptable to the County) the County and its board members, officers and employees against any claim for damages, compensation, fines, penalties or other amounts arising out of the failure or alleged failure of any person or entity (including Grantee, its contractors and subcontractors) to pay prevailing wages as determined pursuant to Labor Code Sections 1720 et seq., to employ apprentices pursuant to Labor Code Sections 1777.5 et seq., and implementing regulations of the DIR or to comply with the other applicable provisions of Labor Code Sections 1720 et seq., 1777.5 et seq., and the implementing regulations of the DIR in connection with the performance of the construction activities for the Housing Improvement or any other work undertaken or in connection with the Property. The requirements in this subsection survive the repayment of the County Grant, and the reconveyance of the Deed of Trust.

(e) Accessibility Requirements. The Grantee shall ensure that the Improvements comply with all applicable federal and state disabled persons accessibility requirements including but not limited to the Federal Fair Housing Act, Section 504 of the Construction Act of 1973, Title II and/or Title III of the Americans with Disabilities Act of 1990, Title 24 of the California Code of Regulations and the Uniform Federal Accessibility Standards ("UFAS"), as applicable. Grantee shall submit a certification from the architect or a County approved Certified Access Specialist certifying that the Development has been rehabilitated in compliance with the accessibility requirements set in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794, et seq.) and the Uniform Federal Accessibility Standards (UFAS), as applicable; or has provided the County with other evidence that the Development, as built, complies with the accessibility requirements.

Section 3.7 Equal Opportunity.

(a) During performance of the Scope of Work for the Improvements there shall be no discrimination on the basis of race, color, creed, religion, sex, sexual orientation, gender identity, marital status, national origin or ancestry, or source of income, in the hiring, firing, promoting or demoting of any person engaged in the construction work.

(b) In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice. A faith-based organization that is a recipient or subrecipient of County Grant funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from federal, state, and local government, and

may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, a County Grant-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

Section 3.8 Minority and Women-Owned Contractors.

Grantee shall use its best efforts to afford minority-owned and women-owned business enterprises ("MBE/WBE") the maximum practicable opportunity to participate in all work performed in connection with the Scope of Work to be performed. Grantee shall, at a minimum, notify applicable minority-owned and women-owned business firms located in San Bernardino County of bid opportunities for the rehabilitation work for the Improvements. A listing of minority owned and women owned businesses located in the County and neighboring counties is available from the County. Documentation of such notifications must be maintained by Grantee and available to the County as requested.

Section 3.9 Progress Reports.

(a) From the date of commencement of construction and until such time as Grantee has received a Certificate of Completion for the Improvements, Grantee shall provide the County with quarterly progress reports regarding the status of the rehabilitation of the Improvements.

(b) The Grantee shall provide any information reasonably requested by the County in connection with the Development.

Section 3.10 Construction Responsibilities.

(a) Grantee is responsible for the coordination and scheduling of the work to be performed so that commencement and completion of the rehabilitation of the Improvements will take place in accordance with this Agreement.

(b) Grantee is solely responsible for all aspects of Grantee's conduct in connection with the Improvements, including (but not limited to) the quality and suitability of the plans and specifications, the supervision of rehabilitation work, and the qualifications, financial condition, and performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and property managers. Any review or inspection undertaken by the County with reference to the Improvements is solely for the purpose of determining whether Grantee is properly discharging its obligations to the County, and may not be relied upon by Grantee or by any third parties as a warranty or representation by the County as to the quality of the design or construction of the Improvements.

Section 3.11 Certificates of Completion.

(a) Promptly after completion of the Scope of Work for the Improvements, and upon written request from the Grantee, in accordance with those provisions of this Agreement relating solely to the obligations of the Grantee to complete the Scope of Work for the Improvements; and the County's determination that the Grantee various obligations with regards to completion of the Scope of Work for the Improvements under this Agreement have been met; the County will provide the Grantee with a Certificate of Completion for the Improvements. If upon the written request from the Grantee, the County determines, at its sole discretion, that the requesting Grantee is not entitled to a Certificate of Completion, the County shall within twenty (20) days of such request, provide such Grantee with a written response stating with specificity the obligations required to be completed as a condition for issuing the Certificate of Completion. If the County fails to issue or fails to provide a written response stating with specificity the reasons the County will not issue a Certificate of Completion to a requesting Grantee within twenty (20) days of a request hereunder, then the requesting Grantee shall be deemed to be entitled to receive such Certificate of Completion.

(b) Such Certificates of Completion shall be conclusive evidence that the covenants in this Agreement with respect to the obligations of Grantee to complete the Scope of Work for the Improvements described in such certificate and the dates for the beginning and completion thereof have been met; provided, however, such certifications shall not be conclusive evidence regarding Grantee satisfaction of the prevailing wage requirements of this Agreement. Such certifications and determinations shall not constitute evidence of compliance with or satisfaction of any obligation of the Grantee to any holder of a deed of trust securing money loaned to finance any portion of the Improvements or any part thereof and shall not be deemed a notice of completion under the California Civil Code.

Section 3.12 Mechanics Liens, Stop Notices, and Notices of Completion.

(a) If any claim of lien is filed against the Property, or any portion thereof, or a stop notice affecting the County Grant is served on the County or any other lender or other third party in connection with the Improvements, then Grantee shall, within twenty (20) days after such filing or service, either pay and fully discharge the lien or stop notice, effect the release of such lien or stop notice by delivering to the County a surety bond in sufficient form and amount, or provide the County with other assurance satisfactory to the County that the claim of lien or stop notice will be paid or discharged.

(b) If Grantee fails to discharge any lien, encumbrance, charge, or claim in the manner required in this Section or obtain a surety bond, then in addition to any other right or remedy, the County may (but is under no obligation to) discharge such lien, encumbrance, charge, or claim at Grantee's expense. Alternately, the County may require Grantee to immediately deposit with the County the amount necessary to satisfy such lien or claim and any costs, pending resolution thereof. The County may use such deposit to satisfy any claim or lien that is adversely determined against Grantee.

(c) Grantee shall file a valid notice of cessation or notice of completion upon cessation of construction work on any portion of the Improvements for a continuous period of

thirty (30) days or more, and take all other steps necessary to forestall the assertion of claims of lien against the Property. Grantee authorizes the County, but the County has no obligation, to record any notices of completion or cessation of labor, or any other notice that the County deems necessary or desirable to protect its interest in any portion of the Improvements.

Section 3.13 Inspections.

(a) The Grantee shall permit and facilitate, and shall require its contractors to permit and facilitate, observation and inspection of the Property or the Improvements by the County and by public authorities during reasonable business hours upon forty-eight (48) hours' prior written notice for the purposes of determining compliance with this Agreement, provided, however, that nothing in this Agreement shall entitle the County to enter an occupied unit in the Improvements without notice to the tenant thereof, which the Grantee shall deliver on behalf of the County, and permission from such tenant to the extent such permission is required by law. Such inspections do not relieve the Grantee, or its contractors, from any applicable requirement to obtain other City or County inspections in connection with the Scope of Work for the Improvements.

(b) After the completion of an inspection the County shall deliver a copy of the inspection report to the Grantee. If the County determines as a result of such inspection that there are any life-threatening health and safety related deficiencies, Grantee 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 Improvements, the Grantee shall correct such deficiencies within fifteen (15) days from the delivery of the inspection report or if a period longer than fifteen (15) days is reasonably necessary to correct the deficiency, then Grantee must begin to correct the deficiency within fifteen (15) days and correct the deficiency as soon as reasonably possible. In addition, the Grantee acknowledges that the County may re-inspect the Improvements to verify all deficiencies have been corrected or rely on third party documentation submitted by the Grantee for non-hazardous deficiencies.

Section 3.14 Approved Financing Plan.

As of the date of this Agreement, the County has approved the approved Financing Budget set forth in Exhibit B. Grantee agrees that no change shall be made to Grantee's Financing Budget without first obtaining County approval, except that the Grantee may at its reasonable discretion reallocate funds between specified line items, so long as the amount being reallocated from any one particular line item does not exceed ten percent (10%) of the budget allocation for such line item. Grantee shall submit any proposed or required amendments to the approved Financing Budget, along with evidence that the changes to the approved Financing Budget are reasonable and necessary, to the County for approval within fifteen (15) days of the date Grantee receives information indicating that actual costs of the Development materially vary or will vary from the costs shown on the approved Financing Budget, which approval shall not be unreasonably withheld or delayed. Written consent of the County will be required to amend the approved Financing Budget. The County will make best efforts to respond in writing within seven (7) days after receipt of a proposed amendment to the approved Financing Budget.

Section 3.15 No Developer Fee.

No compensation from this transaction shall be received by or be payable to the Grantee or any affiliate of the Grantee in connection with the provision of development and construction management services for the acquisition and rehabilitation of the Improvements.

Section 3.16 Relocation.

If and to the extent that acquisition and rehabilitation of the Property will result in the permanent or temporary displacement of tenants, then Grantee shall comply with all applicable local, state, and federal statutes and regulations, (including without limitation the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, California Government Code Section 7260 et seq., and accompanying regulations) with respect to preparation of a relocation plan, relocation planning, advisory assistance, and payment of monetary benefits. Grantee shall be solely responsible for payment of any relocation benefits to any displaced persons and any other obligations associated with complying with such relocation laws. Grantee shall indemnify, defend and hold harmless, (with counsel reasonably acceptable to the County), the County and its authorized officers, employees, agents, volunteers, and successors and assigns ("County Indemnitees"), against any claim for damages, compensation, fines, penalties, relocation payments or other amounts and expenses (including reasonable attorneys' fees) arising out of the failure or alleged failure of any person or entity (including Grantee, or the County) to satisfy relocation obligations related to the acquisition of the Property. This obligation to indemnify shall survive termination of this Agreement.

ARTICLE 4.
GRANT REQUIREMENTS

Section 4.1 Compliance with Agreement.

Grantee shall comply with the terms of this Agreement, the Regulatory Agreement, and any breach by Grantee under the Revocable Grant Documents shall be considered a Default under this Agreement. Notwithstanding anything to the contrary, the forgiveness of the County Grant pursuant to Section 2.3 above, shall have no effect on the Regulatory Agreement which shall remain in full force and effect for the term specified therein.

Section 4.2 Financial Accountings and Audits.

During the Term, from time to time as reasonably requested by the County, Grantee shall make available for examination during normal business hours to County all books, accounts, reports, files, and other papers or property with respect to all matters covered by this Agreement, and shall permit County to audit, examine, and make excerpts or transcripts from such records. County may make audits of any conditions relating to this Agreement.

Section 4.3 Information.

Grantee shall provide any information reasonably requested by the County in connection with the County Grant, including (but not limited to) any information required by the local, state or federal governments in connection with Grantee's use of the Grant Funds.

Section 4.4 Records.

(a) Grantee shall keep and maintain at the principal place of business of the Grantee set forth in Section 7.8 below, or elsewhere with the County's written consent, full, complete and appropriate books, records and accounts relating to the Improvements. Books, records and accounts relating to Grantee's compliance with the terms, provisions, covenants and conditions of this Agreement are to be kept and maintained in accordance with generally accepted accounting principles consistently applied, and are to be consistent with requirements of this Agreement. All such books, records, and accounts are to be open to and available for inspection and copying by the County, its auditors or other authorized representatives at reasonable intervals during normal business hours. Copies of all tax returns and other reports that Grantee may be required to furnish to any governmental agency are to be open for inspection by the County at all reasonable times at the place that the books, records and accounts of Grantee are kept. Grantee shall preserve such records for a period of not less than five (5) years after the creation of such records. If any litigation, claim, negotiation, audit exception, monitoring, inspection or other action relating to the use of the Grant Funds is pending at the end of the record retention period stated herein, then Grantee shall retain the records until such action and all related issues are resolved. The records are to include all invoices, receipts, and other documents related to expenditures from the Grant Funds.

(b) Grantee shall retain all financial records, supporting documents, statistical records, and all other records pertinent to services performed and expenditures incurred under this Agreement for a period of five (5) years after the termination of all activities funded under this Agreement, or after the resolution of all litigation, claims, federal audits, negotiation or other actions that involve any of the records cited, whichever occurs later. Grantee shall retain records for non-expendable property acquired with funds under this Agreement for five (5) years after final disposition of such property. Records for any displaced person must be kept for five (5) years after the displaced person has received final payment.

(c) The County shall notify Grantee of any records it deems insufficient. Grantee has fifteen (15) 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 fifteen (15) days is reasonably necessary to correct the deficiency, then Grantee must begin to correct the deficiency within fifteen (15) days and correct the deficiency as soon as reasonably possible.

Section 4.5 Audits.

(a) Each year, Grantee shall provide the County with a copy of Grantee's annual audit, which is to include information on all of Grantee's activities and pertaining to the Improvements.

(b) In addition, the County, at any time, audit all of Grantee's books, records, and accounts pertaining to the Improvements. Any such audit is to be conducted during normal business hours at the principal place of business of Grantee wherever records are kept. Immediately after the completion of an audit, the County shall deliver a copy of the results of the audit to Grantee.

Section 4.6 Fees and Taxes.

Grantee shall be solely responsible for payment of all fees, assessments, taxes, charges, and levies imposed by any public authority or utility company with respect to the Improvements to the extent owned by Grantee, and shall pay such charges prior to delinquency. However, Grantee shall not be required to pay and discharge any such charge so long as: (a) the legality thereof is being contested diligently and in good faith and by appropriate proceedings; and (b) if requested by the County, Grantee deposits with the County any funds or other forms of assurance that the County in good faith from time to time determines appropriate to protect the County from the consequences of the contest being unsuccessful.

Section 4.7 Notice of Litigation.

Grantee shall promptly notify the County in writing of any litigation materially affecting Grantee or the Improvements and of any claims or disputes that involve a material risk of such litigation.

Section 4.8 Nondiscrimination.

Grantee covenants by and for itself and its successors and assigns that there will be no discrimination against or segregation of a person or of a group of persons on account of race, color, religion, creed, age (except for lawful senior housing in accordance with state and federal law), familial status, disability, sex, sexual orientation, marital status, ancestry or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the property, nor may Grantee or any person claiming under or through Grantee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the property.

Section 4.9 Transfer.

(a) This Agreement is entered into solely for the purpose of funding the affordable Improvements and its subsequent use in accordance with the terms hereof. The Grantee recognizes that the qualifications and identity of Grantee are of particular concern to the County. The Grantee further recognizes that it is because of such qualifications and identity that the County is entering into this Agreement with the Grantee and that limited Transfers are permitted only as provided in this Agreement.

(b) - For purposes of this Agreement, "Transfer" means any sale, assignment, or transfer, whether voluntary or involuntary, of: (1) any rights and/or duties under this Agreement; or (2) any interest in the Grantee, including any merger, consolidations, sale, or lease of all or substantially all of the assets of Grantee.

(c) No Transfer shall be permitted during the Term, except to the extent that the Grantee transfers the property to the San Bernardino County Housing Authority. Any unauthorized Transfer shall automatically cancel the County's obligations to provide the Grant Funds to Grantee after the date of the unauthorized Transfer.

Section 4.10 Insurance Requirements.

(a) Grantee shall maintain the following insurance coverage throughout the Term of the County Grant written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A-VII". If the Grantee uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the Grantee agrees to amend, supplement, or endorse the existing coverage to do so.

(b) Without in anyway affecting the indemnity herein provided and in addition thereto, the Grantee shall secure and maintain throughout the Term the following types of insurance with limits as shown:

(1) Workers' Compensation/Employers Liability.

(A) Workers' Compensation- A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons including volunteers providing services on behalf of the Grantee and all risks to such persons under this Agreement.

(B) If Grantee has no employees, it may certify or warrant to the County that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the Director of Risk Management.

(C) With respect to Grantees that are non-profit corporations organized under California or federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

(2) Comprehensive General Liability. General Liability Insurance covering all operations performed by or on behalf of Grantee providing coverage for bodily injury and property damage with a combined single limit of not less than Five Million Dollars (\$5,000,000), per occurrence. The policy coverage must include:

- (A) Premises operations and mobile equipment.
- (B) Products and completed operations.
- (C) Broad form property damage (including completed operations).
- (D) Explosion, collapse, and underground hazards.
- (E) Personal injury.
- (F) Contractual liability.

(G) \$5,000,000 general aggregate limit.

(3) Comprehensive Automobile Liability.

(A) Primary insurance coverage must be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol I (any auto).

(B) The policy must have a combined single limit of not less than Five Million Dollars (\$5,000,000) for bodily injury and property damage, per occurrence.

(C) If the Grantee is transporting one or more non-employee passengers in performance of contract services, the automobile liability policy must have a combined single limit of Five Million Dollars (\$5,000,000) for bodily injury and property damage per occurrence.

(D) If the Grantee owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

(4) Builders' Risk/Property Insurance. Builders' Risk insurance during the course of construction, and upon completion of construction, property insurance covering the Development, in form appropriate for the nature of such property, covering all risks of loss, excluding earthquake, for one hundred percent (100%) of the replacement value, with deductible, if any, acceptable to the County, naming the County as a Loss Payee, as its interests may appear. Flood insurance must be obtained if required by applicable federal regulations.

(5) Commercial Crime. Commercial crime insurance covering all officers and employees, for loss of County Grant proceeds caused by dishonesty, in an amount approved by the County, naming the County a Loss Payee, as its interests may appear.

(c) Grantee shall cause any general contractor, agent, or subcontractor working on the Development under direct contract with Grantee or subcontract to maintain insurance of the types and in at least the minimum amounts described in subsections (1), (2), and (3) above, meeting all of the general requirements of subsections (e) and (f) below and naming the County as an additional insured. The Grantee agrees to monitor and review all such coverage and assumes all responsibility ensuring that such coverage is provided as required here.

(d) An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy must apply to bodily injury/property damage, personal injury/advertising injury and must include a "dropdown" provision providing primary coverage for any liability not covered by the primary policy. The coverage must also apply to automobile liability.

(e) The required insurance must be provided under an occurrence form, and Grantee shall maintain the coverage described in subsections (a) continuously throughout the Term. Should any of the required insurance be provided under a form of coverage that includes an annual aggregate limit or provides that claims investigation or legal defense costs be included

in such annual aggregate limit, such annual aggregate limit must be three times the occurrence limits specified above.

(f) Comprehensive General Liability and Comprehensive Automobile Liability insurance policies must be endorsed to name as an additional insured the County and its officers, agents, employees, and members of the Board of Supervisors. The additional insured endorsements must not limit the scope of coverage for the County to vicarious liability but must allow coverage for the County to the full extent provided by the policy. Such additional insured coverage must be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

(g) All policies and bonds are to contain: (1) the agreement of the insurer to give the County at least thirty (30) days' notice prior to cancellation (including, without limitation, for non-payment of premium) or any material change in said policies; (2) an agreement that such policies are primary and non-contributing with any insurance that may be carried by the County; (3) a provision that no act or omission of Grantee shall affect or limit the obligation of the insurance carrier to pay the amount of any loss sustained; and (4) a waiver by the insurer of all rights of subrogation against the County and its authorized parties in connection with any loss or damage thereby insured against.

(h) Construction contracts for projects over Three Million Dollars (\$3,000,000) and less than Five Million Dollars (\$5,000,000) require limits of not less than Five Million Dollars (\$5,000,000) in General Liability and Auto Liability coverage.

(i) The Grantee shall require the carriers of required coverages to waive all rights of subrogation against the County, its officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the Grantee and Grantee's employees or agents from waiving the right of subrogation prior to a loss or claim. The Grantee hereby waives all rights of subrogation against the County.

(j) All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the County.

(k) The Grantee shall furnish Certificates of Insurance to the County Department administering the contract evidencing the insurance coverage prior to the close of Escrow, additional endorsements, as required shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and Grantee shall maintain such insurance from the time Grantee commences performance of services hereunder until the completion of such services. Within fifteen (15) days following the close of Escrow, the Grantee shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

(l) The Grantee agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability

exclusions that preclude coverage for suits between the Grantee and the County or between the County and any other insured or additional insured under the policy.

(m) Any and all deductibles or self-insured retentions in excess of Ten Thousand Dollars (\$10,000) shall be declared to and approved by Risk Management.

(n) In the event that any policy of insurance required in this Section does not comply with the requirements, is not procured, or is canceled and not replaced, the County has the right but not the obligation or duty to obtain such insurance it deems necessary and any premiums paid by the County will be promptly reimbursed by Grantee or County disbursements to Grantee will be reduced to pay for the County purchased insurance.

(o) Insurance requirements are subject to periodic review by the County. The Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the County. In addition, if Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced and available, the Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the County, inflation, or any other item reasonably related to the County's risk. Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Grantee agrees to execute any such amendment within thirty (30) days of receipt. Any failure, actual or alleged, on the part of the County to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the County.

(p) All policies and bonds shall be endorsed to provide thirty (30) days prior written notice of cancellation, reduction in coverage, or intent not to renew to the address established for notices to the County.

Section 4.11 Hazardous Materials.

(a) Grantee shall keep and maintain the Property in compliance with, and may not cause or permit the Property to be in violation of any federal, state or local laws, ordinances or regulations relating to industrial hygiene or to the environmental conditions on, under or about the Property including, but not limited to, soil and ground water conditions. Grantee may not use, generate, manufacture, store or dispose of on, under, or about the Property or transport to or from the Property any flammable explosives, radioactive materials, hazardous wastes, toxic substances or related materials, including without limitation, any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," or "toxic substances" under any applicable federal or state laws or regulations (collectively referred to hereinafter as "Hazardous Materials") except such of the foregoing as may be customarily used in similar projects.

(b) Grantee shall immediately advise the County in writing if at any time it receives written notice of (i) any and all enforcement, cleanup, removal or other government or regulatory actions instituted, completed or threatened against Grantee or the Property pursuant to any applicable federal, state or local laws, ordinances, or regulations relating to any Hazardous Materials, ("Hazardous Materials Law"); (ii) all claims made or threatened by any third party against Grantee or the Property relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in clauses (i) and (ii) above are hereinafter referred to as "Hazardous Materials Claims"); and (iii) Grantee's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Property that could cause the Property or any part thereof to be classified as "border-zone property" under the provision of California Health and Safety Code, Sections 25220 et seq., or any regulation adopted in accordance therewith, or to be otherwise subject to any restrictions on the ownership, occupancy, transferability or use of the Property under any Hazardous Materials Law.

(c) The County has the right to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any Hazardous Materials Claims and to have its reasonable attorneys' fees in connection therewith paid by Grantee. Grantee shall indemnify and hold harmless the County and its board members, supervisors, directors, officers, employees, agents, successors and assigns from and against any loss, damage, cost, expense or liability directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal, or presence of Hazardous Materials on, under, or about the Property including without limitation: (i) all foreseeable consequential damages; (ii) the costs of any required or necessary repair, cleanup or detoxification of the Property and the preparation and implementation of any closure, remedial or other required plans; and (iii) all reasonable costs and expenses incurred by the County in connection with clauses (i) and (ii), including but not limited to reasonable attorneys' fees and consultant's fees. This indemnification applies whether or not any government agency has issued a cleanup order. Losses, claims, costs, suits, liability, and expenses covered by this indemnification provision include, but are not limited to: (1) losses attributable to diminution in the value of the Property; (2) loss or restriction of use of rentable space on the Property; (3) adverse effect on the marketing of any rental space on the Property; and (4) penalties and fines levied by, and remedial or enforcement actions of any kind issued by any regulatory agency (including but not limited to the costs of any required testing, remediation, repair, removal, cleanup or detoxification of the Property and surrounding properties). This obligation to indemnify will survive termination of this Agreement.

(d) Without the County's prior written consent, which shall not be unreasonably withheld, Grantee may not take any remedial action in response to the presence of any Hazardous Materials on, under or about the Property, nor enter into any settlement agreement, consent decree, or other compromise in respect to any Hazardous Material Claims, which remedial action, settlement, consent decree or compromise might, in the County's reasonable judgment, impair the value of the County's security hereunder; provided, however, that the County's prior consent is not necessary in the event that the presence of Hazardous Materials on, under, or about the Property either poses an immediate threat to the health, safety or welfare of any individual or is of such a nature that an immediate remedial response is necessary and it is not reasonably possible to obtain the County's consent before taking such action, provided that in such event Grantee shall notify the County as soon as practicable of any

action so taken. The County agrees not to withhold its consent, where such consent is required hereunder, if either (i) a particular remedial action is ordered by a court of competent jurisdiction, (ii) Grantee will or may be subjected to civil or criminal sanctions or penalties if it fails to take a required action; (iii) Grantee establishes to the reasonable satisfaction of the County that there is no reasonable alternative to such remedial action that would result in less impairment of the County's security hereunder; or (iv) the action has been agreed to by the County.

(e) Grantee hereby acknowledges and agrees that (i) this Section is intended as the County's written request for information (and Grantee's response) concerning the environmental condition of the Property as required by California Code of Civil Procedure Section 726.5, and (ii) each representation and warranty in this Agreement (together with any indemnity obligation applicable to a breach of any such representation and warranty) with respect to the environmental condition of the Property is intended by the Parties to be an "environmental provision" for purposes of California Code of Civil Procedure Section 736.

(f) In the event that any portion of the Property is determined to be "environmentally impaired" (as that term is defined in California Code of Civil Procedure Section 726.5(e)(3)) or to be an "affected parcel" (as that term is defined in California Code of Civil Procedure Section 726.5(e)(1) and Grantee is in default of its obligations to the County, then, without otherwise limiting or in any way affecting the County's or the trustee's rights and remedies, the County may elect to exercise its rights under California Code of Civil Procedure Section 726.5(a) to (1) waive its lien on such environmentally impaired or affected portion of the Property and (2) exercise (a) the rights and remedies of an unsecured creditor, including reduction of its claim against Grantee to judgment, and (b) any other rights and remedies permitted by law. For purposes of determining the County's right to proceed as an unsecured creditor under California Code of Civil Procedure Section 726.5(a), Grantee will be deemed to have willfully permitted or acquiesced in a release or threatened release of hazardous materials, within the meaning of California Code of Civil Procedure Section 726.5(d)(1), if the release or threatened release of hazardous materials was knowingly or negligently caused or contributed to by any lessee, occupant, or user of any portion of the Property and Grantee knew or should have known of the activity by such lessee, occupant, or user that caused or contributed to the release or threatened release. All costs and expenses, including (but not limited to) attorneys' fees and other professional service fees and costs, incurred by the County in connection with any action commenced under this paragraph, including any action required by California Code of Civil Procedure Section 726.5(b) to determine the degree to which the Property is environmentally impaired, plus interest thereon at the lesser of ten percent (10%) or the maximum rate permitted by law, until paid, will be payable to the County upon its demand made at any time following the conclusion of such action.

Section 4.12 Maintenance and Damage.

During the course of rehabilitation, Grantee shall maintain the Property in good repair and in a neat, clean and orderly condition. If there arises a condition in contravention of this requirement, and if Grantee has not cured such condition within thirty (30) days after receiving a County notice of such a condition, then in addition to any other rights available to the County,

the County has the right to perform all acts necessary to cure such condition, and to establish or enforce a lien or other encumbrance against the Property.

Section 4.1 Affordability and Project Monitoring.

(a) Throughout the Term, the Developer shall comply with all applicable record keeping and monitoring requirements and shall annually complete and submit to County a Certification of Continuing Program Compliance in the form attached to the Regulatory Agreement.

(b) Representatives of the County or its authorized representatives shall be entitled to enter the Property upon at least forty-eight (48) hours' notice at reasonable times to monitor compliance with this Agreement, to inspect the records of the Development with respect to the Restricted Units, and to conduct an independent audit of such records. The Developer agrees to cooperate with the County in making the Property available for such inspection. If for any reason the County is unable to obtain the Developer's consent to such an inspection, the Developer understands and agrees that the County may obtain, at the Developer's expense, an administrative inspection warrant or other appropriate legal order to obtain access to and search the Property. The Developer agrees to maintain records in a business-like manner and to make such records available to the County upon forty-eight (48) hours' notice at reasonable times.

(c) Throughout the Term, the Developer grants the County inspection rights as set forth in Section 3.13 above.

(d) The County will enforce a per-unit affordability monitoring charge on all Units. The Developments will be a monitoring fee of \$100.00 per unit/ annually

(e) The Developer shall pay such charge within Fifteen (15) days of receipt of an invoice from the County.

(f) All fees under this section are subject to increases adopted under a fee schedule approved by the Board of Supervisors, from time to time.

(g) The County reserves the right to waive or defer a portion of the monitoring charge if a development is unable to pay these costs. All waivers must be submitted in writing, with adequate supporting financial documentation, for review by the County CDH Director.

ARTICLE 5.
REPRESENTATIONS AND WARRANTIES OF GRANTEE

Section 5.1 Representations and Warranties. Grantee hereby represents and warrants to the County as follows:

(a) Organization. Grantee is a duly organized, validly existing California municipal corporation and has the power and authority to own its property and carry on its business as now being conducted.

(b) Authority of Grantee. Grantee has full power and authority to execute and deliver this Agreement and to make and accept the Grant Funds contemplated hereunder, and to perform and observe the terms and provisions of all of the Agreement.

(c) Authority of Persons Executing Documents. This Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement have been executed and delivered by persons who are duly authorized to execute and deliver the same for and on behalf of Grantee, and all actions required under Grantee's organizational documents and applicable governing law for the authorization, execution, delivery and performance of this Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement, have been duly taken.

(d) Valid Binding Agreements. This Agreement and all other documents or instruments which have been executed and delivered pursuant to or in connection with this Agreement constitute or, if not yet executed or delivered, will when so executed and delivered constitute, legal, valid and binding obligations of Grantee enforceable against it in accordance with their respective terms.

(e) No Breach of Law or Agreement. Neither the execution nor delivery of this Agreement or of any other documents or instruments executed and delivered, or to be executed or delivered, pursuant to this Agreement, nor the performance of any provision, condition, covenant or other term hereof or thereof, will conflict with or result in a breach of any statute, rule or regulation, or any judgment, decree or order of any court, board, commission or agency whatsoever binding on Grantee, or any provision of the organizational documents of Grantee, or will conflict with or constitute a breach of or a default under any agreement to which Grantee is a party, or will result in the creation or imposition of any lien upon any assets or property of Grantee, other than liens established pursuant hereto.

(f) Compliance with Laws; Consents and Approvals. The rehabilitation and operation of the Improvements will comply with all applicable laws, ordinances, rules and regulations of federal, state and local governments and agencies and with all applicable directions, rules and regulations of the fire marshal, health officer, building inspector and other officers of any such government or agency.

(g) Pending Proceedings. Grantee is not in default under any law or regulation or under any order of any court, board, commission or agency whatsoever, and there are no claims, actions, suits or proceedings pending or, to the knowledge of Grantee, threatened against or affecting Grantee or the Property, at law or in equity, before or by any court, board, commission or agency whatsoever which might, if determined adversely to Grantee, materially affect Grantee's ability to comply with the terms of this Agreement.

(h) Financial Statements. The financial statements of Grantee and other financial data and information furnished by Grantee to the County fairly present the information contained therein. As of the date of this Agreement, there has not been any adverse, material change in the financial condition of Grantee from that shown by such financial statements and other data and information.

(i) Sufficient Funds. Grantee holds sufficient funds and/or binding commitments for sufficient funds to complete the Scope of Work for the Improvements and to operate the Improvements for the Term.

ARTICLE 6. DEFAULT AND REMEDIES

Section 6.1 Events of Default. Each of the following shall constitute a "Default" by Grantee under this Agreement:

(a) Failure to Comply with Regulatory Agreement. Failure of Grantee to comply with the Regulatory Agreement, subject to all applicable notice and cure rights provided therein.

(b) Breach of Covenants. Failure by Grantee to duly perform, comply with, or observe any of the conditions, terms, or covenants of this Agreement, and such failure having continued uncured for thirty (30) days after receipt of written notice thereof from the County to the Grantee, or if the breach cannot be cured within thirty (30) days, the Grantee shall not be in breach so long as Grantee is diligently undertaking to cure such breach and such breach is cured within ninety (90) days; provided, however, that if a different period or notice requirement is specified under any other section of this Article 6, the specific provisions shall control.

(c) Insolvency. A court having jurisdiction shall have made or entered any decree or order: (1) adjudging Grantee to be bankrupt or insolvent; (2) approving as properly filed a petition seeking reorganization of Grantee or seeking any arrangement for Grantee under the bankruptcy law or any other applicable debtor's relief law or statute of the United States or any state or other jurisdiction; (3) appointing a receiver, trustee, liquidator, or assignee of Grantee in bankruptcy or insolvency or for any of their properties; or (4) directing the winding up or liquidation of Grantee if any such decree or order described in clauses (1) to (4), inclusive, shall have continued unstayed or undischarged for a period of ninety (90) days; or Grantee shall have admitted in writing its inability to pay its debts as they fall due or shall have voluntarily submitted to or filed a petition seeking any decree or order of the nature described in clauses (1) to (4), inclusive.

(d) Assignment; Attachment. Grantee shall have assigned its assets for the benefit of its creditors or suffered a sequestration or attachment of or execution on any substantial part of its property, unless the property so assigned, sequestered, attached or executed upon shall have been returned or released within ninety (90) days after such event or, if sooner, prior to sale pursuant to such sequestration, attachment, or execution.

(e) Suspension; Termination. Grantee shall have voluntarily suspended its business.

(f) Liens on Property. There shall be filed any claim of lien (other than liens approved in writing by County) against the Improvements, the Property, or any part thereof, or any interest or right made appurtenant thereto and the continued maintenance of said claim of lien or notice to withhold for a period of twenty (20) days, without discharge or satisfaction thereof or provision therefor (including, without limitation, the posting of bonds) satisfactory to County.

(g) Condemnation. The condemnation, seizure, or appropriation of all or the substantial part of the Property or the Improvements, by an entity other than the County.

(h) Unauthorized Transfer. Any Transfer other than as permitted by Section 4.9.

(i) Representation or Warranty Incorrect. Any Grantee representation or warranty contained in this Agreement, or in any application, financial statement, certificate, or report submitted to the County in connection with this Agreement, proving to have been incorrect in any material respect when made and having a material adverse effect on the Improvements.

Section 6.2 Remedies.

The occurrence of any Default hereunder following the expiration of all applicable notice and cure periods will, either at the option of the County or automatically where so specified, relieve the County of any obligation to make or continue the County Grant and shall give the County the right to proceed with any and all remedies in law or equity, including suit for recovery of any Grant funds which Grantee has not utilized in compliance with this Agreement:

(a) Repayment of Grant. The County may demand Grantee repay the County any portion of the County Grant not forgiven pursuant to Section 2.3 above, together with any accrued interest thereon, to become immediately due and payable. County may proceed to enforce payment of the indebtedness only by foreclosure under the Deed of Trust. Grantee waives all right to presentment, demand, protest or notice of protest or dishonor. Grantee is liable to pay the County on demand all reasonable expenses, costs and fees (including, without limitation, reasonable attorney's fees) paid or incurred by the County in connection with the repayment of the County Grant which shall be a part of the Secured Obligation enforced only by foreclosure under the County Grant Deed of Trust.

(b) Specific Performance. The County has the right to mandamus or other suit, action or proceeding at law or in equity to require Grantee to perform its obligations and covenants under this Agreement and the Regulatory Agreement or to enjoin acts on things that may be unlawful or in violation of the provisions of this Agreement.

Section 6.3 Right of Contest.

Grantee shall have the right to contest in good faith any claim, demand, levy, or assessment the assertion of which would constitute a Default hereunder. Any such contest shall be prosecuted diligently and in a manner unprejudicial to the County or the rights of the County hereunder.

Section 6.4 Remedies Cumulative.

No right, power, or remedy given to the County by the terms of this Agreement is intended to be exclusive of any other right, power, or remedy; and each and every such right, power, or remedy shall be cumulative and in addition to every other right, power, or remedy given to the County by the terms of any such instrument, or by any statute or otherwise against

Grantee and any other person. Neither the failure nor any delay on the part of the County to exercise any such rights and remedies shall operate as a waiver thereof, nor shall any single or partial exercise by the County of any such right or remedy preclude any other or further exercise of such right or remedy, or any other right or remedy.

ARTICLE 7. GENERAL PROVISIONS

Section 7.1 Relationship of Parties.

Nothing contained in this Agreement shall be interpreted or understood by any of the Parties, or by any third persons, as creating the relationship of employer and employee, principal and agent, limited or general partnership, or joint venture between the County and Grantee or its agents, employees or contractors, and Grantee shall at all times be deemed an independent contractor and shall be wholly responsible for the manner in which it or its agents, or both, perform the services required of it by the terms of this Agreement. Grantee has and retains the right to exercise full control of employment, direction, compensation, and discharge of all persons assisting in the performance of services under the Agreement. Grantee shall be solely responsible for all matters relating to payment of its employees, including compliance with Social Security, withholding, and all other laws and regulations governing such matters, and shall include requirements in each contract that contractors shall be solely responsible for similar matters relating to their employees. Grantee shall be solely responsible for its own acts and those of its agents and employees.

Section 7.2 No Claims.

Nothing contained in this Agreement shall create or justify any claim against the County by any person that Grantee may have employed or with whom Grantee may have contracted relative to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services with respect to the operation of the Improvements and Grantee shall include similar requirements in any contracts entered into for the operation of the Improvements.

Section 7.3 Amendments.

No alteration or variation of the terms of this Agreement shall be valid unless made in writing and executed by the Parties. Any material change in the amount or terms of this Agreement must be approved by Board of Supervisors.

Section 7.4 Indemnification.

The Grantee agrees to indemnify, defend (with counsel reasonably approved by the County) and hold harmless the County and its authorized officers, employees, agents, and volunteers ("County Indemnitees") from any and all claims, actions, losses, damages, and/or liability arising out of this Agreement from any cause whatsoever, including the acts, errors, or omissions of any person and for any costs or expenses incurred by the County on account of any

claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of County Indemnitees. The Grantee's indemnification obligation applies to County Indemnitees' active as well as passive negligence but does not apply to the County Indemnitees' sole negligence or willful misconduct within the meaning of Civil Code Section 2782. The provisions of this Section shall survive the expiration of this Agreement and the provisions of this section shall remain in full force and effect.

Section 7.5 Non-Liability of County Officials, Employees and Agents.

No member, official, employee or agent of the County shall be personally liable to Grantee in the event of any default or breach by the County or for any amount which may become due to Grantee or its successor or on any obligation under the terms of this Agreement.

Section 7.6 No Third Party Beneficiaries.

There shall be no third party beneficiaries to this Agreement.

Section 7.7 Discretion Retained By County.

The County's execution of this Agreement in no way limits the discretion of the County in the permit and approval process.

Section 7.8 Conflict of Interest.

In accordance with California Government Code Section 1090 and the Political Reform Act, California Government Code section 87100 et seq., no person who is a director, officer, partner, trustee or employee or consultant of Grantee, or immediate family member of any of the preceding, may make or participate in a decision, made by the County or a County board, commission or committee, if it is reasonably foreseeable that the decision will have a material effect on any source of income, investment or interest in real property of that person or Grantee. Interpretation of this section is governed by the definitions and provisions used in the Political Reform Act, California Government Code Section 87100 et seq., its implementing regulations manual and codes, and California Government Code Section 1090.

Section 7.9 Notices, Demands and Communications.

All written notices provided for in this Contract or which either party desires to give to the other shall be deemed fully given, when made in writing and either served personally, or by facsimile, or deposited in the United States mail, postage prepaid, and addressed to the other party as follows:

County: Community Development and Housing Department
San Bernardino County
560 E. 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

Grantee: Lutheran Social Services of Southern California,
999 Twon & Country Road, Suite 100
Orange, CA 92869
Attn: LaSharnda Beckwith

Notice shall be deemed communicated two (2) County working days from the time of mailing if mailed as provided in this paragraph.

Section 7.10 Applicable Law and Venue.

This Agreement shall be 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 7.11 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 Grantee and its successors and assigns in the Property and the Improvements for the entire Term, and the benefit hereof shall inure to the benefit of County and its successors and assigns.

Section 7.12 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.

Section 7.13 Severability.

If any term of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability. The Parties to this Agreement, and their counsel, have

read and reviewed this Agreement and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party (including, but not limited to, Civil Code Section 1654) shall not apply to this Agreement.

Section 7.14 Force Majeure.

In addition to specific provisions of this Agreement, performance by either Party shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; quarantine restrictions; or court order; or any other similar causes beyond the control or without the fault of the Party claiming an extension of time to perform. An extension of time for any cause will be deemed granted if notice by the Party claiming such extension is sent to the other within ten (10) days from the commencement of the cause and such extension of time is not rejected in writing by the other Party within ten (10) days of receipt of the notice. In no event shall the County be required to agree to cumulative delays in excess of one hundred eighty (180) days.

Section 7.15 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 Grantee 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 Grantee made in connection with this Agreement.

Section 7.16 Waivers.

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 Grantee or to pursue any remedy allowed under this Agreement or applicable law. Any extension of time granted to Grantee 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 Grantee 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 7.17 Title of Parts and Sections.

Any titles of the sections or subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in interpreting any part of the Agreement's provisions.

Section 7.18 Entire Understanding of the Parties.

This Agreement constitutes the entire understanding and agreement of the Parties with respect to the County Grant.

Section 7.19 Multiple Originals; Counterparts.

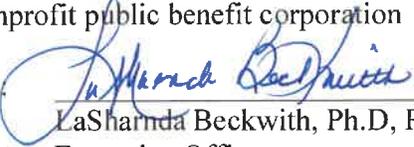
This Agreement may be executed in multiple originals including electronic counterparts (such as facsimile or .pdf), each of which is deemed to be an original, and may be signed in counterparts, and all of which taken together shall constitute one agreement binding on all parties hereto, notwithstanding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

WHEREAS, this Agreement has been entered into by the undersigned as of Effective Date.

GRANTEE:

Lutheran Social Services of Southern California, a California
nonprofit public benefit corporation

By:



LaShanda Beckwith, Ph.D, President and Chief
Executive Officer

Date:

15 January 2026

COUNTY:

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

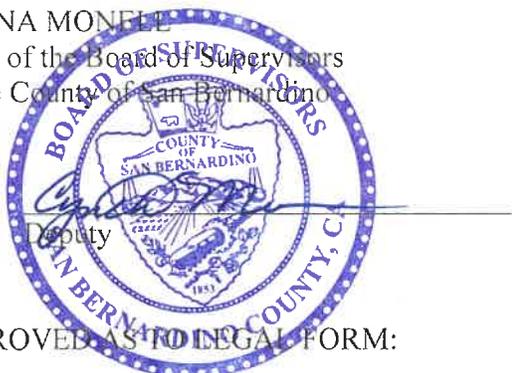
By: *Dawn Rowe*
Dawn Rowe, Chairperson Board of Supervisors

FEB 10 2026

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

LYNNA MONFLE
Clerk of the Board of Supervisors
of the County of San Bernardino

By:



Deputy

APPROVED AS TO LEGAL FORM:

LAURA FEINGOLD
County Counsel

By:

Suzanne Bryant

Suzanne Bryant, Deputy County Counsel

EXHIBIT A

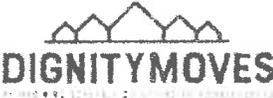
LEGAL DESCRIPTION

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

PARCEL 1 OF PARCEL MAP NO. 20839, IN THE CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 263, PAGE 43 AND 44 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 0145-193-08-0-000; 0145-193-10-0-000; 0145-193-22-0-000; 0145-193-07-0-000; and 0145-193-23-0-000

EXHIBIT B
FINANCING BUDGET

	COST TO COMPLETE	Client Name: LSSSC CWC Address: 1354 N G Street Job Name: DMSB LSSSC CWC Date: January 15, 2026 # of Units: _____
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		BUDGET	COST TO COMPLETE	Variance to Budget	Use of SB County Grant
HARD COSTS					
GC Contract	TC	\$ 25,424,104.00	\$ 26,771,002.00	\$ (1,346,898.00)	\$ 1,057,707.00
Owner Contingency to complete	%	\$ -	\$ 500,000.00	\$ (500,000.00)	\$ -
PV/Solar Engineering/CarPort		\$ -	\$ 422,293.00	\$ (422,293.00)	\$ 422,293.00
TOTAL HARD COSTS:		\$ 25,424,104.00	\$ 27,693,295.00	\$ (2,269,191.00)	\$ 1,480,000.00

		BUDGET	COST TO COMPLETE	Variance to Budget	Use of SB County Grant
SOFT COSTS					
Design					
Initial Design		\$ -	\$ -	\$ -	\$ -
Architectural Contract	TR Design	\$ 2,100,000.00	\$ 2,318,217.47	\$ (218,217.47)	\$ -
Sub Consultant Mark-up		\$ -	\$ -	\$ -	\$ -
Added Services	Genier	\$ 144,000.00	\$ 61,265.00	\$ 82,735.00	\$ -
Design Contingency - Reimbursables	TR Design	\$ 114,700.00	\$ 5,000.00	\$ 109,700.00	\$ -
Modular Design Fees -	Harbinger	\$ -	\$ 149,000.00	\$ (149,000.00)	\$ -
Modular Design Fees -		\$ -	\$ -	\$ -	\$ -
Consultants					
MEP		\$ -	\$ -	\$ -	\$ -
Landscape		\$ -	\$ -	\$ -	\$ -
Structural		\$ -	\$ -	\$ -	\$ -
Waterproofing		\$ -	\$ -	\$ -	\$ -
PV/Solar Engineering		\$ -	\$ -	\$ -	\$ -
Civil - Engineering		\$ -	\$ -	\$ -	\$ -
Environmental Testing	ENGE0	\$ 10,000.00	\$ 50,094.46	\$ (40,094.46)	\$ -
Arborist		\$ -	\$ -	\$ -	\$ -
Geotechnical		\$ -	\$ -	\$ -	\$ -
Soils Testing		\$ -	\$ -	\$ -	\$ -
3rd Party Inspections	Byerly	\$ -	\$ 50,000.00	\$ (50,000.00)	\$ -
3rd Party Inspections	Independent	\$ -	\$ 73,092.90	\$ (73,092.90)	\$ -
Special Inspections	AQMD	\$ -	\$ 5,804.39	\$ (5,804.39)	\$ -
Permit Fees	City of SB	\$ 150,000.00	\$ 617,376.60	\$ (467,376.60)	\$ -
Owners Representative		\$ -	\$ -	\$ -	\$ -
Utility Connection Fees					
Electrical Engineering Fees & Install Costs	SCE	\$ -	\$ 230,402.85	\$ (230,402.85)	\$ -
Communication Engineering Fees & Install Costs	Frontier	\$ -	\$ 20,709.87	\$ (20,709.87)	\$ -
Water Connection & Capacity Fees	SBCWB	\$ -	\$ 197,285.00	\$ (197,285.00)	\$ -
Sewer Connection & Capacity Fees	SBCWB	\$ -	\$ 121,065.00	\$ (121,065.00)	\$ -
FF&E					
Personal Property	LSSSC	\$ 579,185.00	\$ 549,000.00	\$ 30,185.00	\$ -
Low Voltage					
Security System Equipment		\$ -	\$ -	\$ -	\$ -
Financing/Legal					
Appraisal Costs	LSSSC	\$ 6,352.00	\$ 23,200.00	\$ (16,848.00)	\$ -
Legal Fees	Brownstein	\$ 30,000.00	\$ 18,000.00	\$ 12,000.00	\$ -
Financing/Legal					
General Liability	LSSSC	\$ 200,000.00	\$ 193,050.51	\$ 6,949.49	\$ -
Builders Risk	LSSSC	\$ 150,000.00	\$ 150,000.00	\$ -	\$ -
Operating Reserve (Allocated)	LSSSC	\$ 666,679.00	\$ 327,707.00	\$ 338,972.00	\$ -
Owner	LSSSC	\$ -	\$ -	\$ -	\$ -
Dignity Moves Development Fee					
Processing	DM	\$ 1,000,000.00	\$ 1,000,000.00	\$ -	\$ -
Administration	LSSSC	\$ 200,000.00	\$ 200,000.00	\$ -	\$ -
TOTAL SOFT COSTS:		\$ 5,350,896.00	\$ 6,360,270.95	\$ (1,009,374.95)	\$ -

TOTAL DIGNITY MOVES PROJECT COSTS:					
SUBTOTAL HARD COSTS:		\$ 25,424,104.00	\$ 27,693,295.00	\$ (2,269,191.00)	\$ 1,480,000.00
SUBTOTAL SOFT COSTS:		\$ 5,350,896.00	\$ 6,360,270.95	\$ (1,009,374.95)	\$ -
TOTAL DM PROJECT COST:		\$ 30,775,000.00	\$ 34,053,565.95	\$ (3,278,565.95)	\$ 1,480,000.00

EXHIBIT C

SCOPE OF WORK

The Contractor shall furnish all labor, materials, equipment, and services necessary to design, install, and commission a complete and fully operational solar photovoltaic system for the project. The scope of work includes, but is not limited to, all required engineering and design services, permitting, procurement, installation, electrical and structural components, balance-of-system elements, and any other work, services, or costs necessary to achieve full completion and functionality of the solar energy system and the overall construction of the project, excluding predevelopment costs.

EXHIBIT D

REVOCABLE GRANT DEED OF TRUST

REVOCABLE GRANT LEASEHOLD DEED OF TRUST
(San Bernardino Wellness Campus)

THIS REVOCABLE GRANT LEASEHOLD DEED OF TRUST ("Deed of Trust") is made as of _____, 2026, by and among Lutheran Social Services of Southern California, a California nonprofit public benefit corporation, and its permitted successors and assigns ("Trustor"), Chicago Title Company, ("Trustee"), for the benefit of San Bernardino County, a political subdivision of the State of California ("Beneficiary").

FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited and the trust herein created, the receipt of which is hereby acknowledged, Trustor hereby irrevocably grants, transfers, conveys and assigns to Trustee, IN TRUST, WITH POWER OF SALE, for the benefit and security of Beneficiary, under and subject to the terms and conditions hereinafter set forth, Trustor's fee interest in the property located at 1328, 1329, 1354 North G Street, City of San Bernardino, San Bernardino County, State of California, that is described in the attached Exhibit A, incorporated herein by this reference (the "Property").

TOGETHER WITH all interest, estates or other claims, both in law and in equity which Trustor now has or may hereafter acquire in the Property and the rents;

TOGETHER WITH all easements, rights-of-way and rights used in connection therewith or as a means of access thereto, including (without limiting the generality of the foregoing) all tenements, hereditaments and appurtenances thereof and thereto;

TOGETHER WITH any and all buildings and improvements of every kind and description now or hereafter erected thereon, and all property of the Trustor now or hereafter affixed to or placed upon the Property;

TOGETHER WITH all building materials and equipment now or hereafter delivered to said Property and intended to be installed therein;

TOGETHER WITH all right, title and interest of Trustor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Property, and any and all sidewalks, alleys and strips and areas of land adjacent to or used in connection with the Property;

TOGETHER WITH all estate, interest, right, title, other claim or demand, of every nature, in and to such property, including the Property, both in law and in equity, including, but not limited to, all deposits made with or other security given by Trustor to utility companies, the proceeds from any or all of such property, including the Property, claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Trustor now has or may hereafter acquire, any and all awards made for the taking by eminent domain or by any proceeding or purchase in lieu thereof of the whole or any part of such property, including without limitation, any awards resulting from a

change of grade of streets and awards for severance damages to the extent Beneficiary has an interest in such awards for taking as provided in Paragraph 4.1 herein;

TOGETHER WITH all of Trustor's interest in all articles of personal property or fixtures now or hereafter attached to or used in and about the building or buildings now erected or hereafter to be erected on the Property which are necessary to the complete and comfortable use and occupancy of such building or buildings for the purposes for which they were or are to be erected, including all other goods and chattels and personal property as are ever used or furnished in operating a building, or the activities conducted therein, similar to the one herein described and referred to, and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are, or will be attached to said building or buildings in any manner; and

TOGETHER WITH all of Trustor's interest in all building materials, fixtures, equipment, work in process and other personal property to be incorporated into the Property; all goods, materials, supplies, fixtures, equipment, machinery, furniture and furnishings, signs and other personal property now or hereafter appropriated for use on the Property, whether stored on the Property or elsewhere, and used or to be used in connection with the Property; all rents, issues and profits, and all inventory, accounts, accounts receivable, contract rights, general intangibles, chattel paper, instruments, documents, notes drafts, leases, letters of credit, insurance policies, insurance and condemnation awards and proceeds, trade names, trademarks and service marks arising from or related to the Property and any business conducted thereon by Trustor; all replacements, additions, accessions and proceeds; and all books, records and files relating to any of the foregoing.

All of the foregoing, together with the Property, is herein referred to as the "Security." To have and to hold the Security together with acquittances to the Trustee, its successors and assigns forever.

FOR THE PURPOSE OF SECURING THE FOLLOWING OBLIGATIONS (collectively, the "Secured Obligations"):

(a) Payment to Beneficiary of all sums at any time owing under or in connection with the Revocable Grant Agreement (defined in Article 1 below), until forgiven or cancelled, and any other amounts owing under the Revocable Grant Documents. Said County Grant and other payments are due and payable as provided in the Revocable Grant Agreement or other Revocable Grant Documents, as applicable. The Revocable Grant Agreement and all its terms are incorporated herein by reference, and this conveyance secures any and all extensions thereof, however evidenced; and

(b) Payment of any sums advanced by Beneficiary to protect the Security pursuant to the terms and provisions of this Deed of Trust following a breach of Trustor's obligation to advance said sums and the expiration of any applicable cure period, with interest thereon as provided herein; and

(c) Performance of every obligation, covenant or agreement of Trustor contained herein and in the Revocable Grant Documents (defined in Article 1 below).

(d) All modifications, extensions and renewals of any of the Secured Obligations.

AND TO PROTECT THE SECURITY OF THIS LEASEHOLD DEED OF TRUST, TRUSTOR COVENANTS AND AGREES:

ARTICLE 1.
DEFINITIONS

Section 1.1 In addition to the terms defined elsewhere in this Deed of Trust, the following terms have the following meanings in this Deed of Trust:

(a) "County Grant" means the grant in the amount of up \$1,480,000 provided by Beneficiary pursuant to the terms and conditions of the Revocable Grant Agreement.

(b) "Regulatory Agreement" means that certain Regulatory Agreement and Declaration of Restrictive Covenants, dated of even date herewith, between the Beneficiary and Trustor, to be recorded against the Trustor's leasehold interest in the Property.

(c) "Revocable Grant Agreement" means that certain Revocable Grant Agreement (HHIP Grant) by and between the Trustor and the Beneficiary dated of even date herewith, as may be amended from time to time.

(d) "Revocable Grant Documents" means this Deed of Trust, the Revocable Grant Agreement, the Regulatory Agreement, and any and all other financing, debt or security instruments between Trustor and the Beneficiary relating to the Property.

ARTICLE 2.

MAINTENANCE AND MODIFICATION OF THE PROPERTY AND SECURITY

Section 2.1 Maintenance and Modification of the Property by Trustor.

(a) The Trustor agrees that at all times prior to full payment and performance of the Secured Obligations, the Trustor will, at the Trustor's own expense, maintain, preserve and keep the Security or cause the Security to be maintained and preserved in good condition. The Trustor will from time to time make or cause to be made all repairs, replacements and renewals deemed proper and necessary by it. The Beneficiary has no responsibility in any of these matters or for the making of improvements or additions to the Security.

(b) Trustor agrees to pay fully and discharge (or cause to be paid fully and discharged) all claims for labor done and for material and services furnished in connection with the Security, diligently to file or procure the filing of a valid notice of cessation upon the event of a cessation of labor on the work or construction on the Security for a continuous period of thirty (30) days or more, and to take all other reasonable steps to forestall the assertion of claims of lien against the Security or any part thereof. Trustor irrevocably appoints, designates and authorizes Beneficiary as its agent (said agency being coupled with an interest) with the authority, but without any obligation, to file or record any notices of completion or cessation of labor or any other notice that Beneficiary deems necessary or desirable to protect its interest in and to the Security or the Revocable Grant Documents; provided, however, that Beneficiary exercises its rights as agent of Trustor only in the event that Trustor fails to take, or fails to diligently continue to take, those actions as hereinbefore provided.

(c) Upon demand by Beneficiary, Trustor makes or causes to be made such demands or claims as Beneficiary specifies upon laborers, material suppliers, subcontractors or other persons who have furnished or claim to have furnished labor, services or materials in connection with the Security. Nothing herein contained requires Trustor to pay any claims for labor, materials or services which Trustor in good faith disputes and is diligently contesting provided that Trustor, within thirty (30) days after the filing of any claim of lien, record in the Office of the Recorder of San Bernardino County, a surety bond in an amount 1 and 1/2 times the amount of such claim item to protect against a claim of lien.

Section 2.2 Granting of Easements. Trustor may not grant easements, licenses, rights-of-way or other rights or privileges in the nature of easements with respect to any property or rights included in the Security except: (a) those required or desirable for installation and maintenance of public utilities; (b) those required by law; or (c) those approved, in writing, by Beneficiary, such approval will not be unreasonably withheld, conditioned or delayed.

Section 2.3 Assignment of Rents.

(a) As part of the consideration for the indebtedness evidenced by the Revocable Grant Documents, Trustor hereby absolutely and unconditionally assigns and transfers to Beneficiary any and all the rents and revenues of the Property including those now due, past due, or to become due by virtue of any lease or other agreement for the occupancy or use of all or any part of the Property, regardless of to whom the rents and revenues of the Property are payable in the event of an uncured Default. Trustor hereby authorizes Beneficiary or Beneficiary's agents to, upon an uncured event of Default, collect the aforesaid rents and revenues and hereby directs each resident of the Property to pay such rents to Beneficiary or Beneficiary's agents; provided, however, that prior to written notice given by Beneficiary to Trustor of the breach by Trustor of any covenant or agreement of Trustor in the Revocable Grant Documents, Trustor shall collect and receive all rents and revenues of the Property as trustee for the benefit of Beneficiary and Trustor to apply the rents and revenues so collected to the Secured Obligations with the

balance, so long as no such breach has occurred, to the account of Trustor, it being intended by Trustor and Beneficiary that this assignment of rents constitutes an absolute assignment and not an assignment for additional security only. Upon delivery of written notice by Beneficiary to Trustor of the breach by Trustor of any covenant or agreement of Trustor in the Revocable Grant Documents which continues beyond any applicable cure period, and without the necessity of Beneficiary entering upon and taking and maintaining full control of the Property in person, by agent or by a court-appointed receiver, Beneficiary will immediately be entitled to possession of all rents and revenues of the Property as specified in this Section as the same becomes due and payable, including but not limited to rents then due and unpaid, and all such rents will immediately upon delivery of such notice be held by Trustor as trustee for the benefit of Beneficiary only; provided, however, that the written notice by Beneficiary to Trustor of the breach by Trustor shall contain a statement that Beneficiary exercises its rights to such rents. Trustor agrees that commencing upon delivery of such written notice of Trustor's breach by Beneficiary to Trustor, each resident of the Property shall make such rents payable to and pay such rents to Beneficiary or Beneficiary's agents on Beneficiary's written demand to each resident therefor, delivered to each resident personally, by mail or by delivering such demand to each rental unit, without any liability on the part of said resident to inquire further as to the existence of a default by Trustor.

(b) Trustor hereby covenants that, except to senior mortgage lenders approved by Beneficiary, Trustor has not executed any prior assignment of said rents, that Trustor has not performed, and will not perform, any acts or has not executed and will not execute, any instrument which would prevent Beneficiary from exercising its rights under this Section, and that at the time of execution of this Deed of Trust, there has been no anticipation or prepayment of any of the rents of the Property for more than two (2) months prior to the due dates of such rents. Trustor covenants that Trustor will not hereafter collect or accept payment of any rents of the Property more than two (2) months prior to the due dates of such rents. Trustor further covenants that Trustor will execute and deliver to Beneficiary such further assignments of rents and revenues of the Property as Beneficiary may from time to time request.

(c) Upon the Trustor's breach of any covenant or agreement of Trustor in the Revocable Grant Documents, which continues beyond any applicable cure period, Beneficiary may in person, by agent or by a court-appointed receiver, regardless of the adequacy of Beneficiary's security, enter upon and take and maintain full control of the Property in order to perform all acts necessary and appropriate for the operation and maintenance thereof including, but not limited to, the execution, cancellation or modification of leases, the collection of all rents and revenues of the Property, the making of repairs to the Property and the execution or termination of contracts providing for the management or maintenance of the Property, all on such terms as are deemed best to protect the security of this Deed of Trust. In the event Beneficiary elects to seek the appointment of a receiver for the Property upon Trustor's breach of any covenant or agreement of Trustor in this Deed of Trust, Trustor hereby expressly consents to the appointment of such receiver. Beneficiary or the receiver will be entitled to receive a reasonable fee for so managing the Property.

(d) All rents and revenues collected subsequent to delivery of written notice by Beneficiary to Trustor of the breach by Trustor of any covenant or agreement of Trustor in the Revocable Grant Documents shall be applied first to the costs, if any, of taking control of and managing the Property and collecting the rents, including, but not limited to, receiver's fees, premiums on receiver's bonds, costs of repairs to the Property, premiums on insurance policies, taxes, assessments and other charges on the Property, and the costs of discharging any obligation or liability of Trustor as lessor or landlord of the Property and then to the sums secured by this Deed of Trust. Beneficiary or the receiver is to have access to the books and records used in the operation and maintenance of the Property and shall be liable to account only for those rents actually received. Beneficiary shall not be liable to Trustor, anyone claiming under or through Trustor or anyone having an interest in the Property by reason of anything done or left undone by Beneficiary under this Section.

(e) If the rents of the Property are not sufficient to meet the costs, if any, of taking control of and managing the Property and collecting the rents, any funds expended by Beneficiary for such purposes shall become part of the Secured Obligations secured by this Deed of Trust pursuant to Section 3.3 hereof. Unless Beneficiary and Trustor agree in writing to other terms of payment, such amounts shall be payable upon notice from Beneficiary to Trustor requesting payment thereof and shall bear interest from the date of disbursement at the rate stated in Section 3.3 hereof.

(f) Any entering upon and taking and maintaining of control of the Property by Beneficiary or the receiver and any application of rents as provided in this Deed of Trust shall not cure or waive any default under this Deed of Trust or invalidate any other right or remedy of Beneficiary under applicable law or provided herein. This assignment of rents of the Property shall terminate at such time as this Deed of Trust ceases to secure the Secured Obligations.

ARTICLE 3.

TAXES AND INSURANCE; ADVANCES

Section 3.1 Taxes, Other Governmental Charges and Utility Charges.

(a) Trustor shall pay, or cause to be paid, at least fifteen (15) days prior to the date of delinquency, all taxes, assessments, charges and levies imposed by any public authority or utility company which are or may become a lien affecting the Security or any part thereof; provided, however, that Trustor is not required to pay and discharge any such tax, assessment, charge or levy so long as: (1) the legality thereof is promptly and actively contested in good faith and by appropriate proceedings; and (2) Trustor maintains reserves adequate to pay any liabilities contested pursuant to this Section. With respect to taxes, special assessments or other similar governmental charges, Trustor shall pay such amount in full prior to the attachment of any lien therefor on any part of the Security; provided, however, if such taxes, assessments or charges can be paid in

installments, Trustor may pay in such installments. Except as provided in clause (2) of the first sentence of this paragraph, the provisions of this Section may not be construed to require that Trustor maintain a reserve account, escrow account, impound account or other similar account for the payment of future taxes, assessments, charges and levies.

(b) In the event that Trustor fails to pay any of the foregoing items required by this Section to be paid by the Trustor, Beneficiary may (but is under no obligation to) pay the same, after the Beneficiary has notified Trustor of such failure to pay and the Trustor fails to fully pay such items within seven (7) business days after receipt of such notice. Any amount so advanced therefor by Beneficiary, together with interest thereon from the date of such advance at the maximum rate permitted by law, will become part of the Secured Obligations secured hereby, and Trustor agrees to pay all such amounts.

Section 3.2 Provisions Respecting Insurance.

(a) Trustor agrees to provide insurance conforming in all respects to that required under the Revocable Grant Documents during the course of construction and following completion, and at all times until all Secured Obligations secured hereunder are fulfilled and this Deed of Trust reconveyed.

(b) All such insurance policies and coverages are to be maintained at Trustor's sole cost and expense. Certificates of insurance for all of the above insurance policies, showing the same to be in full force and effect, are to be delivered to the Beneficiary upon demand therefor at any time prior to Trustor's satisfaction of the Secured Obligations.

Section 3.3 Advances. In the event the Trustor fails to maintain the full insurance coverage required by this Deed of Trust or fails to keep the Security in accordance with the Revocable Grant Documents, the Beneficiary, after at least seven (7) days prior notice to Beneficiary, may (but is under no obligation to: (a) take out the required policies of insurance and pay the premiums on the same; or (b) make such repairs or replacements as are necessary and provide for payment thereof. All amounts so advanced therefor by the Beneficiary shall become part of the Secured Obligations (together with interest as set forth below) and will be secured hereby, which amounts Trustor agrees to pay on the demand of the Beneficiary, and if not so paid, will bear interest from the date of the advance at the lesser of ten percent (10%) per annum or the maximum rate permitted by law.

ARTICLE 4. CASUALTY OR CONDEMNATION

Section 4.1 Casualties. All judgments, awards of damages, settlements and compensation made in connection with or in lieu of: (a) the taking of all or any part of or any interest in the Property by or under assertion of the power of eminent domain; (b) any

damage to or destruction of the Property or any part thereof by insured casualty; and (c) any other injury or damage to all or any part of the Property (collectively, the "Funds") are hereby assigned to and are to be paid to the Beneficiary by a check made payable to the Beneficiary to the extent of the unpaid principal balance and interest on the unforgiven balance of the County Grant. The Beneficiary is authorized and empowered (but not required) to collect and receive any Funds and is authorized to apply them in whole or in part to any indebtedness or obligation secured hereby, in such order and manner as the Beneficiary determines at its sole option. The Beneficiary is entitled to settle and adjust all claims under insurance policies provided under this Deed of Trust and may deduct and retain from the proceeds of such insurance the amount of all expenses incurred by it in connection with any such settlement or adjustment. All or any part of the amounts so collected and recovered by the Beneficiary may be released to Trustor upon such conditions as the Beneficiary may impose for its disposition. Application of all or any part of the Funds collected and received by the Beneficiary or the release thereof will not cure or waive any default under this Deed of Trust. The rights of the Beneficiary under this Section 4.1 are subject to the rights of any Senior Lender. The Beneficiary shall release the Funds to Trustor to be used to reconstruct the improvements on the Property provided that Beneficiary reasonably determines that Trustor (taking into account the Funds) has sufficient funds to rebuild the improvements in substantially the form that existed prior to the casualty or condemnation.

ARTICLE 5.
AGREEMENTS AFFECTING THE PROPERTY; FURTHER ASSURANCES;
PAYMENT OF GRANT AND INTEREST

Section 5.1 Other Agreements Affecting Property. The Trustor shall duly and punctually perform all terms, covenants, conditions and agreements binding upon it under the Revocable Grant Documents and any other agreement of any nature whatsoever now or hereafter involving or affecting the Security or any part thereof.

Section 5.2 Attorneys' Fees and Expenses. In the event that any party to this Agreement brings an action to interpret or enforce its rights under this Deed of Trust or the Revocable Grant Documents, 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 5.3 Payment of the County Grant. Upon a default under the Revocable Grant Documents, Trustor is required to repay to the Beneficiary the amount of the County Grant not forgiven pursuant to Section 2.3 of the Revocable Grant Agreement and any other payments as set forth in the Revocable Grant Documents in the amounts and by the times set out therein. Beneficiary's sole recourse for the repayment of the outstanding balance and default interest, if any, of the County Grant shall be from the transfer of the Property or the Security.

Section 5.4 Personal Property. To the maximum extent permitted by law, the personal property subject to this Deed of Trust is deemed to be fixtures and part of the real property and this Deed of Trust constitutes a fixtures filing under the California Commercial Code. As to any personal property not deemed or permitted to be fixtures, this Deed of Trust constitutes a security agreement under the California Commercial Code.

Section 5.5 Financing Statement. The Trustor shall execute and deliver to the Beneficiary such financing statements pursuant to the appropriate statutes, and any other documents or instruments as are required to convey to the Beneficiary a valid perfected security interest in the Security, subject to the rights of Senior Lenders. The Trustor agrees to perform all acts which the Beneficiary may reasonably request so as to enable the Beneficiary to maintain such valid perfected security interest in the Security in order to secure the payment of the County Grant in accordance with its terms. The Beneficiary is authorized to file a copy of any such financing statement in any jurisdiction(s) as it shall deem appropriate from time to time in order to protect the security interest established pursuant to this instrument.

Section 5.6 Operation of the Security. Trustor shall operate the Security in full compliance with the Revocable Grant Documents.

Section 5.7 Inspection of the Security. At any and all reasonable times, the Beneficiary and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right, without payment of charges or fees, to inspect the Security provided, however, that any such inspection shall not unreasonably disturb any tenants or other occupants of the Property. Beneficiary shall give Trustor not less than seventy-two hours (72) notice prior to requiring the inspection of the interior of individual tenant units.

ARTICLE 6. HAZARDOUS WASTE

Section 6.1 Hazardous Waste.

(a) Trustor shall keep and maintain the Property in compliance with, and shall not cause or permit the Property to be in violation of any federal, state or local laws, ordinances or regulations relating to industrial hygiene or to the environmental conditions on, under or about the Property including, but not limited to, soil and ground water conditions. Trustor shall not use, generate, manufacture, store or dispose of on, under, or about the Property or transport to or from the Property any flammable explosives, radioactive materials, hazardous wastes, toxic substances or related materials, including without limitation, any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," or "toxic substances" under any applicable federal or state laws or regulations (collectively referred to hereinafter as

"Hazardous Materials") except such of the foregoing as may be customarily kept and used in and about a multi-family residential property or construction site.

(b) Trustor shall immediately advise Beneficiary in writing if at any time it receives written notice of: (1) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened against Trustor or the Property pursuant to any applicable federal, state or local laws, ordinances, or regulations relating to any Hazardous Materials, ("Hazardous Materials Law"); (2) all claims made or threatened by any third party against Trustor or the Property relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in clauses (1) and (2) above are hereinafter referred to as "Hazardous Materials Claims"); and (3) Trustor's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Property that could cause the Property or any part thereof to be classified as "border-zone property" (as defined in California Health and Safety Code Section 25117.4) under the provision of California Health and Safety Code, Sections 25220 et seq., or any regulation adopted in accordance therewith, or to be otherwise subject to any restrictions on the ownership, occupancy, transferability or use of the Property under any Hazardous Materials Law.

(c) Beneficiary has the right to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any Hazardous Materials Claims and to have its reasonable attorneys' fees in connection therewith paid by Trustor. Trustor shall indemnify and hold harmless Beneficiary and its board members, supervisors, directors, officers, employees, agents, successors and assigns from and against any loss, damage, cost, expense or liability directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal, or presence of Hazardous Materials on, under, or about the Property including without limitation: (1) all foreseeable consequential damages; (2) the costs of any required or necessary repair, cleanup or detoxification of the Property and the preparation and implementation of any closure, remedial or other required plans; and (3) all reasonable costs and expenses incurred by Beneficiary in connection with clauses (1) and (2), including but not limited to reasonable attorneys' fees.

(d) Without Beneficiary's prior written consent, which may not be unreasonably withheld, conditioned, or delayed. Trustor may not take any remedial action in response to the presence of any Hazardous Materials on, under or about the Property, nor enter into any settlement agreement, consent decree, or other compromise in respect to any Hazardous Material Claims, which remedial action, settlement, consent decree or compromise might, in Beneficiary's reasonable judgment, impair the value of the Beneficiary's security hereunder; provided, however, that Beneficiary's prior consent is not necessary in the event that the presence of Hazardous Materials on, under, or about the Property either poses an immediate threat to the health, safety or welfare of any individual or is of such a nature that an immediate remedial response is necessary and it is not reasonably possible to obtain Beneficiary's consent before taking such action, provided that in such event Trustor notifies Beneficiary as soon as practicable of any

action so taken.

(e) Beneficiary agrees not to withhold, condition, or delay its consent, where such consent is required hereunder, if either: (1) a particular remedial action is ordered by a court of competent jurisdiction; (2) Trustor will or may be subjected to civil or criminal sanctions or penalties if it fails to take a required action; (3) Trustor establishes to the reasonable satisfaction of Beneficiary that there is no reasonable alternative to such remedial action which would result in less impairment of Beneficiary's security hereunder; or (4) the action has been agreed to by Beneficiary.

(f) Trustor hereby acknowledges and agrees that: (1) this Article is intended as the Beneficiary's written request for information (and Trustor's response) concerning the environmental condition of the Property as required by California Code of Civil Procedure Section 726.5; and (2) each representation and warranty in this Deed of Trust or any of the other Revocable Grant Documents (together with any indemnity applicable to a breach of any such representation and warranty) with respect to the environmental condition of the property is intended by the Beneficiary and Trustor to be an "environmental provision" for purposes of California Code of Civil Procedure Section 736.

(g) In the event that any portion of the Property is determined to be "environmentally impaired" (as that term is defined in California Code of Civil Procedure Section 726.5(e)(3)) or to be an "affected parcel" (as that term is defined in California Code of Civil Procedure Section 726.5(e)(1)), then, without otherwise limiting or in any way affecting the Beneficiary's or the Trustee's rights and remedies under this Deed of Trust, the Beneficiary may elect to exercise its rights under California Code of Civil Procedure Section 726.5(a) to: (1) waive its lien on such environmentally impaired or affected portion of the Property; and (2) exercise: (i) the rights and remedies of an unsecured creditor, including reduction of its claim against Trustor to judgment, and (ii) any other rights and remedies permitted by law. For purposes of determining the Beneficiary's right to proceed as an unsecured creditor under California Code of Civil Procedure Section 726.5(a), Trustor will be deemed to have willfully permitted or acquiesced in a release or threatened release of hazardous materials, within the meaning of California Code of Civil Procedure Section 726.5(d)(1), if the release or threatened release of hazardous materials was knowingly or negligently caused or contributed to by any lessee, occupant, or user of any portion of the Property and Trustor knew or should have known of the activity by such lessee, occupant, or user which caused or contributed to the release or threatened release. All costs and expenses, including (but not limited to) attorneys' fees, incurred by the Beneficiary in connection with any action commenced under this paragraph, including any action required by California Code of Civil Procedure Section 726.5(b) to determine the degree to which the Property is environmentally impaired, plus interest thereon at the highest rate permitted by law, shall be added to the indebtedness secured by this Deed of Trust and will be due and payable to the Beneficiary upon its demand made at any time following the conclusion of such action.

(h) Trustor is aware that California Civil Code Section 2955.5(a) provides as follows: "No lender shall require a borrower, as a condition of receiving or maintaining a loan secured by real property, to provide hazard insurance coverage against risks to the improvements on that real property in an amount exceeding the replacement value of the improvements on the property."

ARTICLE 7. EVENTS OF DEFAULT AND REMEDIES

Section 7.1 Events of Default. The following constitute events of default ("Events of Default") following the expiration of any applicable notice and cure periods: (1) failure of Trustor to comply with the Regulatory Agreement, subject to all applicable notice and cure rights provided therein; (2) failure to make any payment or perform any of Trustor's other covenants, agreements, or obligations under the Revocable Grant Documents, including, without limitation, the provisions concerning discrimination, which default shall not be cured within the times and in the manner provided therein; and (c) failure to make any payments or observe any of Trustor's other covenants, agreements or obligations under any other financing or debt instrument or regulatory agreement secured by any interest in the Property, which default is not cured within the time and in the manner provided therein.

Section 7.2 Acceleration of Maturity. If an Event of Default has occurred and is continuing, then at the option of the Beneficiary, repay the Beneficiary any portion of the County Grant not forgiven pursuant to Section 2.3 of the Revocable Grant Agreement, together with any accrued interest thereon, to become immediately due and payable, upon written notice by the Beneficiary to Trustor (or automatically where so specified in the Revocable Grant Documents), and no omission on the part of the Beneficiary to exercise such option when entitled to do so shall be construed as a waiver of such right. The Beneficiary may proceed to enforce payment of the indebtedness only by foreclosure under the Deed of Trust. Trustor waives all right to presentment, demand, protest or notice of protest or dishonor. Trustor is liable to pay the Beneficiary on demand all reasonable expenses, costs and fees paid or incurred by the Beneficiary in connection with the repayment of the County Grant, which shall be a part of the Secured Obligation enforced only by foreclosure under this Deed of Trust.

Section 7.3 The Beneficiary's Right to Enter and Take Possession. If an Event of Default has occurred and is continuing, the Beneficiary may:

(a) Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, and without regard to the adequacy of its security, enter upon the Property and take possession thereof (or any part thereof) and of any of the Security, in its own name or in the name of Trustee, and do any acts that it deems necessary or desirable to preserve the value or marketability of the Property, or part thereof or interest therein, increase the income therefrom or protect the security thereof. The entering upon and taking possession of the Security shall not cure or waive

any Event of Default or Notice of Sale (as defined below) hereunder or invalidate any act done in response to such Default or pursuant to such Notice of Sale and, notwithstanding the continuance in possession of the Security, Beneficiary will be entitled to exercise every right provided for in this Deed of Trust, or by law upon occurrence of any Event of Default, including the right to exercise the power of sale;

(b) Commence an action to foreclose this Deed of Trust as a mortgage, appoint a receiver, or specifically enforce any of the covenants hereof;

(c) Deliver to Trustee a written declaration of default, and a written notice of election to cause Trustor's interest in the Security to be sold ("Notice of Sale"), which notice Trustee or Beneficiary shall cause to be duly filed for record in the Official Records of San Bernardino County; or

(d) Exercise all other rights and remedies provided herein, in the instruments by which Trustor acquires title to any Security, or in any other document or agreement now or hereafter evidencing, creating or securing all or any portion of the Secured Obligations.

Section 7.4 Foreclosure By Power of Sale.

(a) Should the Beneficiary elect to foreclose by exercise of the power of sale herein contained, the Beneficiary shall deliver the Notice of Sale to the Trustee, and shall deposit with Trustee this Deed of Trust which is secured hereby (and the deposit of which shall be deemed to constitute evidence that the Secured Obligations are immediately due and payable), and such receipts and evidence of any expenditures made that are additionally secured hereby as Trustee may require.

(b) Upon receipt of such Notice of Sale from the Beneficiary, Trustee shall cause to be recorded, published and delivered to Trustor such Notice of Sale as then required by law and by this Deed of Trust. Trustee shall, without demand on Trustor, after lapse of such time as may then be required by law and after recordation of such Notice of Sale having been given as required by law, sell the Security, at the time and place of sale fixed by it in said Notice of Sale, whether as a whole or in separate lots or parcels or items as Trustee shall deem expedient and in such order as it determines unless specified otherwise by Trustor according to California Civil Code Section 2924g(b), at public auction to the highest bidder, for cash in lawful money of the United States payable at the time of sale. Trustee will deliver to such purchaser or purchasers thereof its good and sufficient deed or deeds conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed or any matters of facts will be conclusive proof of the truthfulness thereof. Any person, including, without limitation, Trustor, Trustee or Beneficiary, may purchase at such sale, and Trustor hereby covenants to warrant and defend the title of the Trustee and/or the Beneficiary.

(c) After deducting all reasonable costs, fees and expenses of Trustee, including costs of evidence of title in connection with such sale, Trustee shall apply the

proceeds of sale to payment of: (1) the unpaid or unforgiven portion of the County Grant; (2) all other Secured Obligations owed to Beneficiary under the Revocable Grant Documents; (3) all other sums then secured hereby; and (4) the remainder, if any, to Trustor.

(d) Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter, and without further notice make such sale at the time fixed by the last postponement, or may, in its discretion, give a new Notice of Sale.

Section 7.5 Receiver. If an Event of Default has occurred and is continuing, Beneficiary, as a matter of right and without further notice to Trustor or anyone claiming under the Security, and without regard to the then value of the Security or the interest of Trustor therein, may apply to any court having jurisdiction to appoint a receiver or receivers of the Security (or a part thereof), and Trustor hereby irrevocably consents to such appointment and waives further notice of any application therefor. Any such receiver or receivers will have all the usual powers and duties of receivers in like or similar cases, and all the powers and duties of Beneficiary in case of entry as provided herein, and will continue as such and exercise all such powers until the date of confirmation of sale of the Security, unless such receivership is sooner terminated.

Section 7.6 Remedies Cumulative. No right, power or remedy conferred upon or reserved to the Beneficiary by this Deed of Trust is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity.

Section 7.7 No Waiver.

(a) No delay or omission of the Beneficiary to exercise any right, power or remedy accruing upon any Event of Default will exhaust or impair any such right, power or remedy, or may not be construed to be a waiver of any such Event of Default or acquiescence therein; and every right, power and remedy given by this Deed of Trust to the Beneficiary may be exercised from time to time and as often as may be deemed expeditious by the Beneficiary. Beneficiary's express or implied consent to a breach by Trustor, or a waiver of any obligation of Trustor hereunder will not be deemed or construed to be a consent to any subsequent breach, or further waiver, of such obligation or of any other obligations of Trustor hereunder. Failure on the part of the Beneficiary to complain of any act or failure to act or to declare an Event of Default, irrespective of how long such failure continues, will not constitute a waiver by the Beneficiary of its right hereunder or impair any rights, power or remedies consequent on any Event of Default by Trustor.

(b) If the Beneficiary: (1) grants forbearance or an extension of time for the payment or performance of any Secured Obligation; (2) takes other or additional security or the payment of any sums secured hereby; (3) waives or does not exercise any

right granted in the Revocable Grant Documents; (4) releases any part of the Security from the lien of this Deed of Trust, or otherwise changes any of the terms, covenants, conditions or agreements in the Revocable Grant Documents; (5) consents to the granting of any easement or other right affecting the Security; or (6) makes or consents to any agreement subordinating the lien hereof, any such act or omission shall not release, discharge, modify, change or affect the original liability under this Deed of Trust, or any other obligation of Trustor or any subsequent purchaser of the Security or any part thereof, or any maker, co-signer, endorser, surety or guarantor (unless expressly released); nor shall any such act or omission preclude the Beneficiary from exercising any right, power or privilege herein granted or intended to be granted in any Event of Default then made or of any subsequent Event of Default, nor, except as otherwise expressly provided in an instrument or instruments executed by the Beneficiary shall the lien of this Deed of Trust be altered thereby.

Section 7.8 Suits to Protect the Security. The Beneficiary has the power to: (a) institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Security and the rights of the Beneficiary as may be unlawful or any violation of this Deed of Trust; (b) preserve or protect its interest (as described in this Deed of Trust) in the Security; and (c) restrain the enforcement of or compliance with any legislation or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement for compliance with such enactment, rule or order would impair the Security thereunder or be prejudicial to the interest of the Beneficiary.

Section 7.9 Trustee May File Proofs of Claim. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting Trustor, its creditors or its Property, the Beneficiary, to the extent permitted by law, will be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of the Beneficiary allowed in such proceedings and for any additional amount which may become due and payable by Trustor hereunder after such date.

Section 7.10 Waiver. Trustor waives presentment, demand for payment, notice of dishonor, notice of protest and nonpayment, protest, notice of interest on interest and late charges, and diligence in taking any action to collect any Secured Obligations or in proceedings against the Security, in connection with the delivery, acceptance, performance, default, endorsement or guaranty of this Deed of Trust.

ARTICLE 8. MISCELLANEOUS

Section 8.1 Amendments. This Deed of Trust cannot be waived, changed, discharged or terminated orally, but only by an instrument in writing signed by Beneficiary and Trustor.

Section 8.2 Reconveyance by Trustee. Upon written request of Beneficiary stating that all Secured Obligations have been forgiven or paid, and all obligations under the Revocable Grant Documents have been performed in full, and upon surrender of this Deed of Trust to Trustee for cancellation and retention, and upon payment by Trustor of Trustee's reasonable fees, Trustee shall reconvey the Security to Trustor, or to the person or persons legally entitled thereto.

Section 8.3 Notices.

(a) If at any time after the execution of this Deed of Trust becomes necessary or convenient for one of the parties hereto to serve any notice, demand or communication upon the other party, such notice, demand or communication shall be in writing and shall be served personally or by depositing the same in the registered United States mail, return receipt requested, postage prepaid and (1) if intended for Beneficiary shall be addressed to:

Community Development and Housing Department
San Bernardino County
560 E. 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

and (2) if intended for Trustor shall be addressed to:

Lutheran Social Services of Southern California,
999 Twon & Country Road, Suite 100
Orange, CA 92869
Attn: LaSharnda Beckwith

(b) Any notice, demand or communication shall be 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 to Beneficiary or Trustor as the case may be, in the manner provided herein, at least ten (10) days prior to the date such change is desired to be effective.

Section 8.4 Successors and Joint Trustors. Where an obligation created herein is binding upon Trustor, the obligation shall also apply to and bind any transferee or successors in interest. Where the terms of the Deed of Trust have the effect of creating an obligation of Trustor and a transferee, such obligation shall be deemed to be a joint

and several obligation of Trustor and such transferee. Where Trustor is more than one entity or person, all obligations of Trustor shall be deemed to be a joint and several obligation of each and every entity and person comprising Trustor.

Section 8.5 Captions. The captions or headings at the beginning of each Section hereof are for the convenience of the parties and are not a part of this Deed of Trust.

Section 8.6 Invalidity of Certain Provisions. Every provision of this Deed of Trust is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court or other body of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable. If the lien of this Deed of Trust is invalid or unenforceable as to any part of the debt, or if the lien is invalid or unenforceable as to any part of the Security, the unsecured or partially secured portion of the debt, and all payments made on the debt, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid or applied to the full payment of that portion of the debt which is not secured or partially secured by the lien of this Deed of Trust.

Section 8.7 Governing Law and Venue. This Deed of Trust shall be governed by and construed in accordance with the laws of the State of 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 8.8 Gender and Number. In this Deed of Trust the singular includes the plural and the masculine includes the feminine and neuter and vice versa, if the context so requires.

Section 8.9 Deed of Trust, Mortgage. Any reference in this Deed of Trust to a mortgage also refers to a deed of trust and any reference to a deed of trust also refers to a mortgage.

Section 8.10 Actions. Trustor agrees to appear in and defend any action or proceeding purporting to affect the Security.

Section 8.11 Substitution of Trustee. Beneficiary may from time to time substitute a successor or successors to any Trustee named herein or acting hereunder to execute this Trust. Upon such appointment, and without conveyance to the successor trustee, the latter will be vested with all title, powers, and duties conferred upon any Trustee herein named or acting hereunder. Each such appointment and substitution is to be made by written instrument executed by Beneficiary, containing reference to this Deed of Trust and its place of record, which, when duly recorded in the proper office of the

county or counties in which the Property is situated, shall be conclusive proof of proper appointment of the successor trustee.

Section 8.12 Statute of Limitations. The pleading of any statute of limitations as a defense to any and all obligations secured by this Deed of Trust is hereby waived to the full extent permissible by law.

Section 8.13 Acceptance by Trustee. Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made public record as provided by law. Except as otherwise provided by law the Trustee is not obligated to notify any party hereto of pending sale under this Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee is a party unless brought by Trustee.

Section 8.14 Non-Recourse. Neither Trustor, nor any member of Trustor, shall have any direct or indirect personal liability for payment of the principal of, and interest on, the County Grant or the performance of the covenants of Trustor under this Deed of Trust. The sole recourse of Beneficiary with respect to the principal of, and default interest, if any, on the outstanding balance of the County Grant, and defaults by Trustor in the performance of its covenants under this Deed of Trust, shall be to the Security described herein, and in no event will Beneficiary be entitled to, or seek, a deficiency judgment.

[Signature Page Follows]

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the first date written above.

TRUSTOR:

Lutheran Social Services of Southern California, a
California nonprofit public benefit corporation

By: _____
LaSharnda Beckwith, Ph.D, President and
Chief Executive Officer

Date: _____

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

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

PARCEL 1 OF PARCEL MAP NO. 20839, IN THE CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 263, PAGE 43 AND 44 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 0145-193-08-0-000; 0145-193-10-0-000; 0145-193-22-0-000; 0145-193-07-0-000; and 0145-193-23-0-000

EXHIBIT E
REGULATORY AGREEMENT

REGULATORY AGREEMENT AND
DECLARATION OF RESTRICTIVE COVENANTS
(San Bernardino Wellness Campus)

REGULATORY AGREEMENT AND
DECLARATION OF RESTRICTIVE COVENANTS
(San Bernardino Wellness Campus)

This Regulatory Agreement and Declaration of Restrictive Covenants (the "Agreement") is dated as of February 12, 2026 ("Effective Date") and is made and recorded by and between San Bernardino County, a political subdivision of the State of California (the "County") and Lutheran Social Services of Southern California, a California nonprofit public benefit corporation, and its permitted successors and assigns (the "Grantee").

RECITALS

A. Capitalized terms used but not defined in these recitals are as defined in Article 1 of this Agreement.

B. The County received an allocation of Housing and Homelessness Incentive Program ("HHIP") funds from Inland Empire Health Plan, a California health plan organization, to fund eligible activities.

C. Grantee and County are parties to that certain Revocable Grant Agreement, of even date herewith (the "Grant Agreement"), under which the County agreed to provide Grantee a grant of up to One Million Four Hundred Eighty Thousand Dollars (\$1,480,000) (the "County Grant") to fund the Development and inclusions of the HHIP Beds to be made available to Eligible Participants.

D. Grantee owns that certain real property located 1328, 1329, 1354 North G Street, City of San Bernardino, San Bernardino County, State of California, as further described on the attached Exhibit A incorporated herein (the "Property").

E. The Contract intends to develop 140 private studio units and administrative building of interim housing at the Property (the "Development").

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 Grantee declares as follows:

ARTICLE 1.
DEFINITIONS

Section 1.1 Definitions.

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

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

- (b) "Completion Date" means the date a certificate of occupancy is issued for the Development.
- (c) "County Grant" has the meaning set forth in Recital C, above.
- (d) "Eligible Participants" "Eligible Participants" means Inland Empire Health Plan members who are At Risk of Homelessness Households or Homeless Households referred by the County's Office of Homeless Services (OHS), through the Coordinated Entry System (CES). All those participating with CES will need to apply to participate in the Homeless Management Information System (HMIS).
- (e) "Grant Agreement" has the meaning set forth in Recital C, above.
- (f) "Homeless Household" means housing for individuals and families who are experiencing homelessness, as defined in Section 578.3 of Title 24 of the Code of Federal Regulations.
- (g) "Housing First" has the meaning set forth in Section 8255 of the Welfare and Institutions Code.
- (h) "HUD" means the United States Department of Housing and Urban Development.
- (i) "Interim Housing" means a facility that is primarily intended to provide temporary shelter or lodging for individuals and families who are experiencing homelessness or who are at risk of homelessness, as defined in Section 578.3 of Title 24 of the Code of Federal Regulation, where the participant is not required to pay toward the cost of housing and which does not require occupants to sign leases or occupancy agreements..
- (j) "Revocable Grant Deed of Trust" means that certain Deed of Trust with Assignment of Rents, Security Agreement, and Fixture Filing, of even date herewith, among Grantee, as Trustor, Chicago Title Company, as trustee, and the County, as beneficiary, that will encumber the Property to secure performance of the covenants of the Regulatory Agreement and the Grant Agreement.
- (k) "Term" means the term of this Agreement which commences as of the Effective Date and ends fifteen (15) years after the Completion Date.

ARTICLE 2.
AFFORDABILITY AND OCCUPANCY COVENANTS

Section 2.1 Occupancy Requirements.

During the entire Term, twenty (20) studio units in the Development will be occupied by, or, if vacant, available for occupancy by, Eligible Participants consistent with the terms of this Agreement. Grantee will make the twenty (20) studio units available to Eligible Participants in accordance with Housing First principles. This is an approach that offers permanent, affordable

housing as quickly as possible for individuals and families experiencing homelessness, and then provides the supportive services and connections to the community-based supports people need to avoid returning to homelessness. The Development must align and comply with the core components of Housing First as defined in California Welfare and Institutions Code Section 8255(b).

Section 2.2 No Rent or Fees.

(a) **Rent.** During the entire Term, the twenty (20) studio units at Development are designated as Interim Housing units and, as such, Grantee hereby agrees to provide the units to Eligible Participants at no cost to the occupants.

(b) **Fees.** During the entire Term, the Grantee may not charge any fee to any occupant of the units for any housing or other services provided by Grantee.

Section 2.3 Accessibility.

The Development will be operated at all times in compliance with all applicable federal, state, and local disabled persons accessibility requirements. Grantee shall cause the Development to be operated at all times in compliance with the provisions of: (1) the Unruh Act; (2) the California Fair Employment and Housing Act; (3) Section 504 of the Rehabilitation Act of 1973; (4) the United States Fair Housing Act, as amended; and (5) the Americans With Disabilities Act of 1990, which relate to disabled persons access. Grantee 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 Grantee'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 2.4 Referrals.

(a) The Grantee agrees that all County assisted units will be occupied by Eligible Participants through 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). Grantee shall provide the County, for its review and approval, with the Grantee's written Eligible Participant selection plan (the "Tenant Selection Plan").

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

(2) Grantee 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 Grantee to CES for assessment and prioritization within seventy-two (72) hours. Grantee understands that individuals and/or families may not be referred to Grantee and may be referred to another service provider based upon the CES assessment.

Section 2.5 Reporting Requirements.

Grantee shall submit to the County: (a) not later than the forty-fifth (45th) 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 B; 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 2.6 Additional Information.

Grantee shall provide any additional information reasonably requested by the County if such information is required for reporting to an outside agency or the San Bernardino County Board of Supervisors.

Section 2.7 Services Plan.

The Grantee shall execute a contract with Lutheran Social Services a competent organization with experience in providing on-site social services ("Service Provider"). The Grantee is not in default if the services described in the section are not provided due to lack of funding. Service Provider shall provide services to all occupants of the Development (the "Social Services") if and when funding is obtained by the Grantee. Grantee or the Service Provider shall submit to the County a services plan which shall include written guidelines or procedures for providing the Social Services (the "Services Plan"), and a budget for the provision of Social Services (the "Services Budget"). For the entire Term of this Agreement, Service Provider shall provide the Social Services in accordance with the Services Plan and Services Budget. Grantee or the Service Provider shall update the Services Plan and the Services Budget as the Social Services are update and submit the revised Services Plan and Services Budget to the County. Upon submittal by the Grantee or Service Provider and receipt by the County, the Services Plan and Services Budget shall be deemed accepted and approved automatically by the County without further action. Any comments from the County on any submittals shall be considered non-binding in nature.

ARTICLE 3.

OPERATION OF THE DEVELOPMENT

Section 3.1 Residential Use.

During the Term, the Development will be operated as Interim Housing and shall at all times include the twenty (20) studio units, in compliance with the terms of this Agreement, including those attached here to as Exhibit B, incorporated herein by this reference and the HHIP (Housing and Homelessness Incentive Program) Grant Agreement.

Section 3.2 Property Maintenance.

(a) Grantee shall maintain, for the entire Term of this Agreement, all interior and exterior improvements, including landscaping, on the Property in good condition and repair (and, as to landscaping, in a healthy condition) 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, and in a decent, safe, sanitary condition and in good repair.

(b) The County places prime importance on quality maintenance to protect its investment and to ensure that all County-assisted projects are not allowed to deteriorate due to below-average maintenance. Grantee shall make all repairs and replacements necessary to keep the improvements in good condition and repair.

(c) In the event that Grantee breaches any of the covenants contained in this section and such default continues for a period of five (5) days after written notice from the County with respect to graffiti, debris, waste material, and general maintenance or thirty (30) days after written notice from the County with respect to landscaping and building improvements, then the County, in addition to whatever other remedy it may have at law or in equity, has the right to enter upon the Property and perform or cause to be performed all such acts and work necessary to cure the default. Pursuant to such right of entry, the County is permitted (but is not required) to enter upon the Property and to perform all acts and work necessary to protect, maintain, and preserve the improvements and landscaped areas on the Property, and to attach a lien on the Property, or to assess the Property, in the amount of the expenditures arising from such acts and work of protection, maintenance, and preservation by the County and/or costs of such cure, which amount shall be promptly paid by Grantee to the County upon demand.

Section 3.3 On-Site Inspections.

The County may perform, or cause to be performed, an on-site inspection of the Development (subject to the rights of occupants) at least one (1) time per year upon twenty-four (24) hours' notice during normal business hours to monitor compliance with this Agreement. Grantee shall cooperate in making the Property available for such inspection.

Section 3.4 Taxes and Assessments.

As required and applicable, Grantee shall pay all real and personal property taxes, assessments 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 Property; provided, however, that Grantee may apply for a property tax exemption for the Property under any provision of law or contest in good faith, any such taxes, assessments, or charges. In the event Grantee exercises its right to contest any tax, assessment, or charge against it, Grantee, on final determination of the proceeding or contest, will immediately pay or discharge any decision or judgment rendered against it, together with all costs, charges and interest.

Section 3.5 Reserved.

Section 3.6 Management Responsibility.

The Grantee 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. Grantee shall 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 Grantee 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 Grantee setting forth, in reasonable detail, the reasons for such disapproval. Grantee 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 3.7 Management Agent.

Grantee 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. Grantee shall provide the necessary professional staff to meet the needs of the Eligible Participants. The County hereby approves of DIGNITYMOVES, a California nonprofit public benefit corporation as the initial Management Agent. Grantee shall submit for the County's approval the identity of any proposed change to the Management Agent. The Grantee 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 Grantee in writing.

Section 3.8 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. Grantee shall cooperate with the County in such reviews.

Section 3.9 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 Grant Agreement, the County shall deliver notice to the Grantee of such operational issues which notice shall describe the County's findings

with specificity and the County may in same notice, notify the Grantee its intention to cause replacement of the Management Agent. Within thirty (30) days of receipt by Grantee of such written notice, County staff and Grantee, and any partners of the Grantee, 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 Grantee, the Grantee 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.

(c) Any contract for the operation or management of the Development entered into by the Grantee 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 3.9.

Section 3.10 Nondiscrimination.

During the performance of this Agreement, Grantee 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. Contractors and sub-contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee 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), all as amended from time to time.

Section 3.11 Notice of Expiration of Term.

Prior to the expiration of the Term, Grantee 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, Grantee shall provide the County with a notice of right of first refusal within the one hundred eighty (180) day period that qualified entities may purchase the Development.

Section 3.12 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 3.13 Enforcement by the County.

Subject to the Grant Agreement, if the Grantee fails to perform any obligation under this Agreement, and fails to cure the default within the cure period specified there in or as applicable 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 Grantee's performance of its obligations hereunder, and/or for damages.

Section 3.14 Records.

Grantee shall maintain complete, accurate and current records pertaining to the Development, and shall permit any duly authorized representative of the County and Inland Empire Health Plan to inspect records, including records pertaining to Eligible Participants. All occupant lists, applications and waiting lists relating to the Development are to be at all times: (a) separate and identifiable from any other business of Grantee; (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. Grantee shall retain copies of all materials obtained or produced with respect to occupancy for a period of at least five (5) years.

Section 3.15 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.

ARTICLE 4.
MISCELLANEOUS

Section 4.1 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 4.2 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 4.3 Waiver of Requirements.

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

Section 4.4 Recording and Filing.

The County and Grantee 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 a lien position approved by the County, and over all other agreements, covenants, liens, or other matters of record on the Property unless approved by the County in writing.

Section 4.5 Amendments.

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

Section 4.6 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 Grantee 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 4.7 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 4.8 Subordination.

This Agreement shall be recorded in a lien position acceptable to the County and shall not be subordinated to any lien or encumbrance proposed to be recorded against the Property. The County agrees and acknowledges that the Homekey Regulatory Agreement shall be recorded in first lien position, then the City of San Bernardino's Permanent Local Housing Allocation Regulatory Agreement will be recorded in second lien position. The County's

Regulatory Agreement and Declaration of Restrictive Covenants will be recorded in third lien position.

Section 4.9 Notice.

(a) All written notices provided for in this Contract or which either party desires to give to the other shall be deemed fully given, when made in writing and either served personally, or by facsimile, or deposited in the United States mail, postage prepaid, and addressed to the other party as follows:

County:

Community Development and Housing Department
San Bernardino County
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

Grantee:

Lutheran Social Services of Southern California,
999 Twon & Country Road, Suite 100
Orange, CA 92869
Attn: LaSharnda Beckwith

Notice shall be deemed communicated two (2) County working days from the time of mailing if mailed as provided in this paragraph.

Either party may change its address at any time by giving written notice of such change to Beneficiary or Trustor as the case may be, in the manner provided herein, at least ten (10) days prior to the date such change is desired to be effective.

Section 4.10 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 4.11 Hold Harmless.

Grantee 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 Grantee'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 4.12 Indemnification.

The Grantee agrees to indemnify, defend (with counsel reasonably approved by the County) and hold harmless the County and its authorized officers, employees, agents, and volunteers ("County Indemnitees") from any and all claims, actions, losses, damages, and/or liability arising out of this Agreement from any cause whatsoever, including the acts, errors, or omissions of any person and for any costs or expenses incurred by the County on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of County Indemnitees. The Grantee's indemnification obligation applies to County Indemnitees' active as well as passive negligence but does not apply to the County Indemnitees' sole negligence or willful misconduct within the meaning of Civil Code Section 2782. The provisions of this Section shall survive the expiration of this Agreement and the provisions of this section shall remain in full force and effect.

Section 4.13 Term.

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

Section 4.14 No Third Party Beneficiaries.

No person other than the Grantee and the County is a party to this Agreement or shall be entitled to any right or benefit hereunder, there shall be no third party beneficiaries to this Agreement.

Section 4.15 Revival of Agreement after Foreclosure.

In the event there is a foreclosure of the Property, this Agreement will revive according to its original terms if, during the 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 Property.

Section 4.16 Entire Understanding of the Parties.

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

Section 4.17 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 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

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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 San Bernardino }

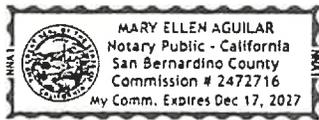
On February 25, 2020 before me, Mary Ellen Aguilar, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Luther Snoke
Name(s) of Signer(s)

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.



Place Notary Seal and/or Stamp Above

Signature [Handwritten Signature]
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____ Signer's Name: _____

Corporate Officer – Title(s): _____ Corporate Officer – Title(s): _____

Partner – Limited General Partner – Limited General

Individual Attorney in Fact Individual Attorney in Fact

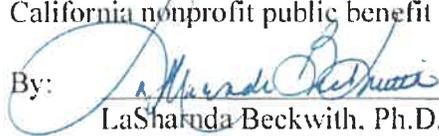
Trustee Guardian or Conservator Trustee Guardian or Conservator

Other: _____ Other: _____

Signer is Representing: _____ Signer is Representing: _____

CONTRACTOR:

Lutheran Social Services of Southern California, a
California nonprofit public benefit corporation

By: 
LaShanda Beckwith, Ph.D. President and Chief
Executive Officer

Date: February 12, 2026

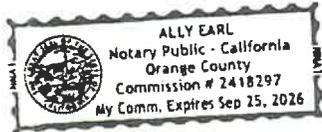
CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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 Orange }
On Feb. 12, 2020 before me, Ally Earl, Notary,
Date Here Insert Name and Title of the Officer
personally appeared Anita Lashanda Beckwith
Name(s) of Signer(s)

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 Ally Earl
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____ Signer's Name: _____

Corporate Officer – Title(s): _____ Corporate Officer – Title(s): _____

Partner – Limited General Partner – Limited General

Individual Attorney in Fact Individual Attorney in Fact

Trustee Guardian or Conservator Trustee Guardian or Conservator

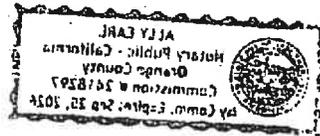
Other: _____ Other: _____

Signer is Representing: _____ Signer is Representing: _____

[Faint handwritten text]

[Faint handwritten text]

[Faint handwritten text]



[Faint handwritten text]

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

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

PARCEL 1 OF PARCEL MAP NO. 20839, IN THE CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 263, PAGE 43 AND 44 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 0145-193-08-0-000; 0145-193-10-0-000; 0145-193-22-0-000; 0145-193-07-0-000; and 0145-193-23-0-000

EXHIBIT B
REPORTING REQUIREMENT

A. Coordinated Entry System (CES)

The CES is a referral process that currently coordinates with the County Continuum of Care. All those participating will need to apply to participate with the Homeless Management Information System (HMIS).

1. Grantee must work to ensure the screening, assessment, and referral of Eligible Participants are consistent with the eligible uses under HHIP.
2. Grantee 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 Grantee to CES for assessment and prioritization within seventy-two (72) hours. Grantee understands that individuals and/or families may not be referred to Grantee and may be referred to another service provider based upon the CES assessment.

B. Data Reporting

1. Grantee will submit to the County detailed reports containing information listed below:
2. Grantee will submit detailed reports containing, at minimum, the following information:
 - Amount awarded to Grantee with activity(ies) identified;
 - Contract expenditures;
 - Unduplicated number of homeless persons and households served by County Grant;
 - Unduplicated number of persons and households at imminent risk of homelessness served by HHIP funds;
 - 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.
 - Number of homeless persons and households successfully exited from HHIP (i.e., in permanent housing) that remain in permanent housing 12 months post-exit from HHIP-3.
 - Number of persons and households at imminent risk of homelessness successfully exited from HHIP (i.e., in permanent housing) that remain in permanent housing 12 months post-exit from HHIP.
3. 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
4. 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).

C. 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. Grantee 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. Grantee shall enter into a Memorandum of Understanding (MOU) with the HMIS Lead Agency where the Grantee agrees to share HMIS data with other agencies, unless prohibited by law.
2. Grantee 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 Grantee's program. Grantee's program profile must be setup prior to Grantee submitting their first HHIP Disbursement Request form.
3. Grantee 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 Grantee 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: 909-386-1924

4. Grantee must ensure all required data elements, as listed below, are entered into the HMIS system for Eligible Participants, 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. Grantee 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, Grantee is required to enter accurate and complete data. The County will ensure Grantee 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, Grantee 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 Grantee's HMIS Data Quality Report Sample, see Exhibit 5. The report will be generated by Grantee and submitted quarterly with expenditure reports. OHS will review reports and data deficiencies, if any, will be identified and discussed with Grantee to determine methods to remediate and/or improve data quality scores.

7. If Grantee 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. Grantee 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	-	4,496	03/08/2011	13	0	0	A. Admin
Client 6	PQR11111	66/66/6666	47	61	03/10/2010	-	4,881	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

HMIS Data Quality Report [FY 2023]

Agency Name

CoC Category Filter: Agency CoC
Date Range: 10/01/2022 thru 06/30/2023

Q3. Universal Data Elements		
Program Applicability: All Projects		
Data Element	Error Count	% of Error Rate
Veteran Status (3.7)	0	0%
Project Start Date (3.10)	0	0%
Relationship to Head of Household (3.15)	0	0%
Client Location (3.16)	0	0%
Disabling Condition (3.8)	0	0%

Q4. Income and Housing Data Quality		
Program Applicability: All Projects		
Data Element	Error Count	% of Error Rate
Destination (3.12)	1	0.12%
Income and Sources (4.2) at Start	0	0%
Income and Sources (4.2) at Annual Assessment	0	0%
Income and Sources (4.2) at Exit	0	0%
Non-Cash Benefits (4.3) at Start	0	0%
Non-Cash Benefits (4.3) at Annual Assessment	0	0%
Non-Cash Benefits (4.3) at Exit	0	0%

Q5. Chronic Homeless							
Program Applicability: ES, SH, Street Outreach, TH & PH(All)							
Starting into project type	Count of total records	Missing time in institution (3.9.17.2)	Missing time in housing (3.9.17.2)	Approximate Date started (3.9.17.3)	Number of times (3.9.17.4)	Number of months (3.9.17.5)	% of records unable to calculate
				Missing	DK/R/missing	DK/R/missing	
ES, SH, Street Outreach	0			0	0	0	0%
TH	0	0	0	0	0	0	0%
PH (all)	512	0	0	0	0	0	0%
Total	512						0%

**HMIS Data Quality
Report [FY 2023]**

Agency Name

CoC Category Filter: Agency CoC
Date Range: 10/01/2022 thru 06/30/2023

Q6. Timeliness		
Program Applicability: All Projects		
Time for Record Entry	Number of Project Start Records	Number of Project Exit Records
0 days	518	634
1-3 days	352	81
4-6 days	33	49
7-10 days	4	22
11+ days	12	37

Q7. Inactive Records: Street Outreach and Emergency Shelter			
Program Applicability: Street Outreach & ES-Night By Night			
Data Element	# of Records	# of Inactive Records	% of Inactive Records
Contact (Adults and Heads of Household in Street Outreach or ES-NbN)	0	0	0%
Bed Night (All clients in ES-NbN)	0	0	0%

Programs Included in Dataset

Agency	Program Name
--------	--------------

D. Program Participant Eligibility

Grantee shall ensure that:

1. Eligible Participants meet the Homeless definition as defined in Section 578.3 of Title 24 of the Code of Federal Regulations:
2. Eligible Participants are Inland Empire Health Plan members who are at risk of, have recently been, or are currently experiencing homelessness.
3. Grantee coordinates Program enrollment and services in collaboration with CES.

E. Job Training and Employment

Grantee agrees to refer Eligible Participants that are eligible for job training and employment services to the San Bernardino County Workforce Development Department (WDD). Grantee also agrees to refer eligible "work ready" clients to the County's Community Employment Pathways (CEP) program for job placement services. Number of participants who have been referred to WDD and CEP will be reported on a quarterly basis by Grantee.

F. Staffing Requirements

Grantee shall provide the necessary professional staff to meet the needs of the homeless population following the Housing First model (e.g., case managers, clinicians, medical staff, peer advocates, employment specialists, and eligibility specialists). Grantee must have the readiness capacity to immediately perform and administer homeless efforts through Grant Funding.

G. Equipment and Other Property

All equipment, materials, supplies or property of any kind (including vehicles, publications, copyrights, etc.) purchased with HHIP funds received under the terms of this Agreement which has a life expectancy of one (1) year or more shall be the property of the County and shall be subject to the provisions of this paragraph. The disposition of equipment or property of any kind shall be determined by the County when the Agreement is terminated. Additional terms are as follows:

1. The purchase of any furniture or equipment which was not included in Grantee's approved budget, shall require the prior written approval of the County, and shall fulfill the provisions of this Agreement which are appropriate and directly related to Grantee's services or activities under the terms of the Agreement. The County may refuse approval for any cost resulting from such items purchased, which are incurred by Grantee, if prior written approval has not been obtained from the County.
2. Before equipment purchases made by Grantee are approved by the County, Grantee must submit paid vendor receipts identifying the purchase price, description of the item, serial numbers, model number and location where equipment will be used during the term of this Agreement.
3. Grantee shall submit an inventory of equipment purchased under the terms of this Agreement as part of the expenditures report for the month in which the equipment is purchased. Grantee must also maintain an inventory of equipment purchased that, at a minimum, includes the description of the property, serial number or other identification number, title holder, acquisition date, cost of the equipment, location, use and condition of the property, and ultimate disposition data. A physical inventory of the property must be reconciled annually. Equipment should be adequately maintained and a control system

in place to prevent loss, damage, or theft. Equipment with cost exceeding County's capitalization threshold of \$5,000 must be depreciated.

4. No costs incurred prior to the Agreement commencement date shall be eligible for reimbursement with HHIP funds.
5. Upon termination of this Agreement, Grantee will provide a final inventory to the County and shall at that time query the County as to requirements, including the manner and method in returning equipment to the County. Final disposition of such equipment shall be in accordance with instructions from the County.

H. Closeout

6. Grantee shall submit a closeout report including a narrative of the project outcomes, an inventory of all equipment and property acquired or improved by HHIP funds, and a final financial report, upon termination or completion of the services specified in this Agreement.
7. Grantee agrees to adhere to and comply with all the closeout procedures detailed below; including, but not limited to the following:
 - a. Disposition of Program assets shall be determined by the County when the Agreement is terminated.
 - b. Grantee shall submit within forty-five (45) days after the date of expiration of this Agreement, all financial, performance, and other reports required by this Agreement; and in addition, will cooperate in a Program audit by the County.
 - c. Any unobligated/unexpended funds disbursed in advance to Grantee shall be returned to the County within thirty (30) days after the expiration of the Agreement term, or in accordance with Section B.3.5.h, whichever occurs first. This term shall survive the expiration of the contract.
 - d. Grantee must account for any real and personal property acquired with HHIP-3 funds.
 - e. Closeout will remain pending until all requirements are met and all outstanding issues with the Grantee have been resolved to the satisfaction of the County.

EXHIBIT F

SCHEDULE OF PERFORMANCE

Activity	Performance Deadline:
Recordation of Deed of Trust and Regulatory Agreement	No later than 03/27/2026
Disbursement of Funds	No later than 03/15/2026
Start of Renovations / Improvements	Deemed commenced.
Completion of Improvements/Delivery of CASP Report	No later than 6 months from Effective Date, or February 10,2026
Start of Operations / Certificate of Occupancy	Upon Completion of Improvements



EXHIBIT G

Levine Act – Campaign Contribution Disclosure (formerly referred to as Senate Bill 1439)

The following is a list of items that are not covered by the Levine Act. A Campaign Contribution Disclosure Form will not be required for the following:

- Contracts that are competitively bid and awarded as required by law or County policy
- Contracts with labor unions regarding employee salaries and benefits
- Personal employment contracts
- Contracts under \$50,000
- Contracts where no party receives financial compensation
- Contracts between two or more public agencies
- The review or renewal of development agreements unless there is a material modification or amendment to the agreement
- The review or renewal of competitively bid contracts unless there is a material modification or amendment to the agreement that is worth more than 10% of the value of the contract or \$50,000, whichever is less
- Any modification or amendment to a matter listed above, except for competitively bid contracts.

DEFINITIONS

Actively supporting or opposing the matter: (a) Communicate directly with a member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, District Attorney, Auditor-Controller/Treasurer/Tax Collector] for the purpose of influencing the decision on the matter; or (b) testifies or makes an oral statement before the County in a proceeding on the matter for the purpose of influencing the County's decision on the matter; or (c) communicates with County employees, for the purpose of influencing the County's decision on the matter; or (d) when the person/company's agent lobbies in person, testifies in person or otherwise communicates with the Board or County employees for purposes of influencing the County's decision in a matter.

Agent: A third-party individual or firm who, for compensation, is representing a party or a participant in the matter submitted to the Board of Supervisors. If an agent is an employee or member of a third-party law, architectural, engineering or consulting firm, or a similar entity, both the entity and the individual are considered agents.

Otherwise related entity: An otherwise related entity is any for-profit organization/company which does not have a parent-subsidiary relationship but meets one of the following criteria: (1) One business entity has a controlling ownership interest in the other business entity; (2) there is shared management and control between the entities; or (3) a controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.

For purposes of (2), "shared management and control" can be found when the same person or substantially the same persons own and manage the two entities; there are common or

commingled funds or assets; the business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis; or there is otherwise a regular and close working relationship between the entities.

Parent-Subsidiary Relationship: A parent-subsidiary relationship exists when one corporation has more than 50 percent of the voting power of another corporation.

Contractors must respond to the questions on the following page. If a question does not apply respond N/A or Not Applicable.

1. Name of Contractor:

2. Is the entity listed in Question No.1 a nonprofit organization under Internal Revenue Code section 501(c)(3)?

Yes If yes, skip Question Nos. 3-4 and go to Question No. 5

No

3. Name of Principal (i.e., CEO/President) of entity listed in Question No. 1, if the individual actively supports the matter and has a financial interest in the decision:

4. If the entity identified in Question No.1 is a corporation held by 35 or less shareholders, and not publicly traded ("closed corporation"), identify the major shareholder(s):-

5. Name of any parent, subsidiary, or otherwise related entity for the entity listed in Question No. 1 (see definitions above):

Company Name	Relationship

6. Name of agent(s) of Contractor:

Company Name	Agent(s)	Date Agent Retained (if less than 12 months prior)

7. Name of Subcontractor(s) (including Principal and Agent(s)) that will be providing services/work under the awarded contract if the subcontractor (1) actively supports the matter and (2) has a financial interest in the decision and (3) will be possibly identified in the contract with the County or board governed special district.

Company Name	Subcontractor(s):	Principal and/or Agent(s):

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8. Name of any known individuals/companies who are not listed in Questions 1-7, but who may (1) actively support or oppose the matter submitted to the Board and (2) have a financial interest in the outcome of the decision:

Company Name	Individual(s) Name

9. Was a campaign contribution, of more than \$500, made to any member of the San Bernardino County Board of Supervisors or other County elected officer involved with this Contract within the prior 12 months, by any of the individuals or entities listed in Question Nos. 1-8?

No

Yes If **yes**, please provide the contribution information in Question 11.

10. Has an agent of Contractor made a campaign contribution of any amount to any member of the San Bernardino County Board of Supervisors or other elected officer involved with this Contract while award of this Contract is being considered?

No If no, please skip question 11.

Yes If **yes**, please provide the contribution information in Question 11.

11. Name of Board of Supervisor Member or other County elected officer: _____

Name of Contributor: _____

Date(s) of Contribution(s): _____

Amount(s): _____

Please add an additional sheet(s) to identify additional Board Members or other County elected officers to whom anyone listed made campaign contributions.

By signing the Contract, Contractor certifies that the statements made herein are true and correct. Contractor acknowledges that agents are prohibited from making any campaign contributions, regardless of amount, to any member of the Board of Supervisors or other County elected officer involved with this Contract, while award of this Contract is being considered and for 12 months after a final decision by the County. Contractor understands that the other individuals and entities (excluding agents) listed in Question Nos. 1-8 are prohibited from making campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer involved with this

Contract, while award of this Contract is being considered and for 12 months after a final decision by the County.