

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY



Contract Number  
20-1229 A-1

SAP Number

### Human Services

Department Contract Representative Tom Hernandez  
Telephone Number (909) 501-0611

Contractor	Shangri La Industries, LLC, 450 G Street, LP and Step Up on Second Street, Inc
Contractor Representative	Andrew Abdul-Wahab, Shangri La Industries, LLC Andrew Abdul-Wahab, 450 G Street, LP Tod Lipka, Step Up
Telephone Number	(213) 797-4255, Shangri La Industries, LLC (213) 797-4255, 450 G Street, LP (310) 576-1308, Step Up on Second Street, Inc
Contract Term	12/08/20 through the tenth (10th) anniversary of the project completion date
Original Contract Amount	\$5,000,000
Amendment Amount	N/A
Total Contract Amount	\$5,000,000
Cost Center	6210002502 and 6210002506

**Briefly describe the general nature of the contract:** Amendment No. 1 to the Homekey County Grant Agreement No. 20-1229 modifies the Financing Plan and Schedule of Performance for the All-Star Lodge project with no changes to the agreement amount and term of agreement. Under the Homekey program the All Star Lodge project will convert a hotel/motel located at 450 G Street in the City of San Bernardino to provide interim/permanent housing for individuals and families impacted by COVID-19 who are at-risk of or experiencing homelessness that will include case management for residents of the 76 Homekey units.

**FOR COUNTY USE ONLY**

Approved as to Legal Form

*Suzanne Bryant*  
Suzanne Bryant, Deputy County Counsel  
Date 2-5-2021

Reviewed for Contract Compliance

\_\_\_\_\_  
Date \_\_\_\_\_

Reviewed/Approved by Department

\_\_\_\_\_  
Date \_\_\_\_\_

FIRST AMENDMENT TO HOMEKEY COUNTY AGREEMENT  
(All Star Lodge)

This First Amendment to Homekey County Agreement (the "First Amendment") is entered into as of February 9, 2021, by and among the County of San Bernardino, a political subdivision of the State of California (the "County"), and Step Up on Second Street, Inc., a California nonprofit public benefit corporation ("Step Up"), 450 G Street, LP, a Delaware limited partnership, and Shangri-La Industries, LLC, a Delaware limited liability company, and permitted successors and assigns (collectively "Grantee"), with reference to the following facts:

RECITALS

A. The County and the Grantee entered into that certain Homekey County Grant Agreement dated as of December 8, 2020 (the "Original Agreement"). These recitals refer to and utilize certain capitalized terms which are defined in the Original Agreement. Capitalized terms used in this First Amendment, but not defined, shall have the meaning set forth in the Original Agreement. In the event of any conflicts between the Recitals herein and the Recitals of the Original Agreement, the Recitals herein shall govern.

B. Because additional financing was made available by the State of California for this Development, the County and Developer mutually agree that it is beneficial to enter this First Amendment, amending the following: (1) the Approved Financing Plan, (2) the Permitted Transfers restrictions; (3) update the Approved Financing Plan attached as Exhibit B, (4) update the Schedule of Performance attached as Exhibit C; and (5) make other conforming revisions to the Original Agreement.

NOW, THEREFORE, the County and the Grantee agree as follows:

ARTICLE I  
AMENDMENTS TO ORIGINAL AGREEMENT

Section 1.1 Amendment to Section 1.1(d). Section 1.1(d) of the Original Agreement is hereby amended and restated in its entirety as follows:

"(d) "Approved Financing" means all of the following loans, grants and equity obtained by Grantee and approved by the County for the purpose of financing the Development, which include the following, estimated as of the Effective Date:

(1) An equity contribution from the Grantee of not less than One Million Thirty-Two Thousand Eight-Hundred Eighty-Four Dollars (\$1,032,884)

(2) A loan in the approximate amount of approximately Three Million One Hundred Seventy Thousand Four Hundred Eight Three Dollars (\$3,170,000) (the "Construction Loan");

(3) A grant of approximately Eight-Million Three-Hundred Eighty Thousand Four-Hundred and Two Dollars (\$8,380,402) of Homekey program funding from HCD (the "Homekey Acquisition Funds") or such other amount approved by HCD, which may be used for acquisition and non-construction related costs; and

(4) A grant of approximately One-Million Eight-Hundred Twenty-Four Thousand Dollars (\$1,824,000) of Homekey program funding from HCD and Enterprise Community Partners (the "Homekey Operating Funds") or such other amount approved by HCD."

Section 1.2 **Amendment to Section 2.8(c)**. Section 2.8(c) of the Original Agreement is hereby amended and restated in its entirety as follows:

"(c) The County shall disburse the County Grant in a single installment, but shall have no obligation to make any disbursements or to take any other action under the Grant Documents unless the following conditions precedent are satisfied prior to each such disbursement of the Grant funds. There exists no Event of Default nor any act, failure, omission or condition that would constitute an Event of Default under this Agreement, or any other financing agreements or contracts between the County and Grantee, Owner or their affiliates relating to the Development;

(2) Grantee has delivered to the County a copy of Grantee's organizational documents, including an Operating Agreement, and a corporate authorizing resolution authorizing Grantee's execution of this Agreement and the transactions contemplated by this Agreement;

(3) Owner has delivered to the County a copy of Owner's organizational documents, including a limited partnership agreement, and a corporate authorizing resolution authorizing Owner's execution of this Agreement and the transactions contemplated by this Agreement;

(4) Step Up has delivered to the County a copy of Step Up's organizational documents, and a corporate authorizing resolution authorizing Step Up's execution of this Agreement and the transactions contemplated by this Agreement;

(5) The County has received a executed originals of the Completion Guaranty Agreements, executed by Andrew Meyers Abdul-Wahab, an individual, Shangri-La Industries, LLC, a Delaware Limited Liability Company, and Shangri-La Development, LLC, a Delaware Limited Liability Company (each as guarantor), securing completion of the Development in accordance with the terms and conditions set forth in the Standard Agreement from , or in the alternative the Owner has provided received copies of (1) labor and material payment and performance bonds;

(6) Grantee, Step Up, and Owner have caused to be executed and delivered to the County all of the Grant Documents and any other instruments, and policies required under the Grant Documents;

- Plan;
- (7) The County has received and approved the Approved Financing Plan;
- Agreement;
- (8) Grantee, Step Up, and the County have executed the Standard Agreement;
- (9) Grantee or Owner has made a repayment of the Construction Loan in the amount approved by the County and evidenced in the Approved Financing Plan;
- (10) Grantee has provided the Grantee Equity into escrow;
- (11) Grantee, Step Up and Owner have furnished the County with evidence of the insurance coverage meeting the requirements of Section 4.13 below;
- (12) The Use Restriction has been recorded against the Owner's fee 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;
- (13) The County has received from Grantee and approved a form of program participant agreement;
- Participant Selection Plan;
- (14) The County and the Grantee and Owner have agreed on a Participant Selection Plan;
- (15) The County and the Grantee and Owner have agreed on a property management plan;
- (16) The County has received, from Grantee, Step Up and Owner, and approved a copy of the Services Plan for the provision of service to residents and reviewed and approved the Services Budget as required under Section 3.6;
- (17) Grantee or Owner have submitted a certification from the architect or a County approved Certified Access Specialist certifying that the Development will be rehabilitated in compliance with the accessibility requirements set forth in the Standard Agreement or has provided the County with other evidence that the Development, as built, complies with the accessibility requirements set forth in the Standard Agreement;
- (18) The County has received from Grantee or Owner a copy of the Management Plan, and a management agreement and contact information for the property manager of the Development and the name and phone number of the on-site property manager, in compliance with the terms of the Use Restriction;
- (19) There exists no material adverse change in the financial condition of Grantee from that shown by the financial statements and other data and information furnished by Grantee to the County prior to the date of this Agreement;

(20) The County has determined the undisbursed proceeds of the County Grant, together with other funds or firm commitments for funds that the Grantee or Owner have 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 Use Restriction; and

(21) The County has received a written draw request from the Grantee or Owner including certification that the condition set forth in Section 2.6(c)(1) continues to be satisfied, and certifying the proposed uses of funds is consistent with the limitations set forth in Section 2.1, above, and will be used solely for operating costs of County-Assisted Units occupied by an income eligible household from the Target Population."

Section 1.3 **Amendment to Section 3.5.** Section 3.5 of the Original Agreement is hereby amended and restated in its entirety as follows:

**"Approved Financing Plan.**

"(a) As of the date of this Agreement, the County has approved the Approved Financing Plan set forth in Exhibit B. Grantee shall submit any proposed or required amendments to the Approved Financing Plan, along with evidence that the changes to the Approved Financing Plan 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 Plan, which approval shall not be unreasonably withheld or delayed. The County will make best efforts to respond in writing within seven (7) days after receipt of a proposed amendment to the Approved Financing Plan. In addition, the Grantee shall submit an update to the Approved Financing Plan meeting the requirements set forth in Section 3.2(c), which proposed financing plan shall be reviewed in the same manner as other updates or amendments to the Approved Financing Plan under this Section.

(b) In connection with any refinancing or conversion of the Construction Loan under the Approved Financing Plan or the obtaining of any permanent loan related to the Development and/or the Property (collective "Refinancing Loan"), Owner hereby agrees that, without the prior approval of the County Board of Supervisors, the maximum annual interest rate for the Refinancing Loan shall be no higher than three percent (3%) interest. If and to the extent the Grantee is unable to obtain a Refinancing Loan with an interest rate equal to or below three percent (3%) per year and the debt service coverage ratio for any one year falls below 1.11x, the Grantee shall be responsible for contributions to the project in an amount sufficient to meet the debt service coverage ratio of 1.11x for the year in which the shortfall exists. In no event shall the Grantee be allowed to draw revenue from the Grant Funds in excess of that which is stated in the Approved Financing Plan."

Section 1.4 **Amendment to Section 4.12(c)**. Section 4.12(c) of the Original Agreement is hereby amended and restated in its entirety as follows:

"(c) **Permitted Transfers**. Notwithstanding the foregoing, the following are permitted Transfers shall be permitted and are hereby approved by the County (each a "Permitted Transfer"):

(1) Any Transfer creating a Security Financing Interest either: (A) permitted pursuant to the Approved Financing Plan; or (B) created as a result of a loan made to developer that replaces any existing Security Financing Interest (including a Senior Loan), so long as such replacement Security Financing Interest (including the Senior Loan) does not secure an obligation in excess of the then outstanding balance of the original principal amount of the replaced Security Financing Interest (including a Senior Loan). County will not unreasonably withhold, condition or delay its consent to any refinancing under this Section.

(2) Any Transfer directly resulting from the foreclosure of a Security Financing Interest or the granting of a deed in lieu of foreclosure of a Security Financing Interest or as otherwise permitted under this Agreement.

(3) Any Transfer of portions of the first floor of the Development for commercial use that does not interfere with the use of the Development as required by the Use Restriction and which is consistent with all local planning and zoning regulations."

Section 1.5 **Amendment to Exhibit B**. The Approved Financing Plan attached as Exhibit B to the Original Agreement is hereby replaced by Exhibit B (Updated Approved Financing Plan), as shown in Attachment A of this First Amendment.

Section 1.6 **Amendment to Exhibit C**. The Schedule of Performance attached as Exhibit C to the Original Agreement is hereby replaced by Exhibit C (Updated Schedule of Performance), as shown in Attachment B of this First Amendment.

ARTICLE II  
MISCELLANEOUS

Section 2.1 **No Other Changes to the Agreement**. Except as expressly modified by this First Amendment, all other provisions of the Original Agreement remain unmodified and continue in full force and effect.

Section 2.2 **Conflicts with the Agreement**. In the event of any conflict between this First Amendment and the Original Agreement, the provisions of this First Amendment shall prevail.

Section 2.3 **Effective Date**. This First Amendment shall be effective on the date first set forth above.

Section 2.4 **Successors and Assigns**. This First Amendment shall be binding on and inure to the benefit of the legal representatives, heirs, successors and assigns of the parties.

Section 2.5 **California Law**. This First Amendment shall be governed by and construed in accordance with the laws of the State of California.

Section 2.6 **Counterparts; Multiple Originals**. This First Amendment may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

*[Signature Pages Follow]*

IN WITNESS WHEREOF, the County and the Developer have entered into this First Amendment as of the date first set forth above.

**COUNTY:**

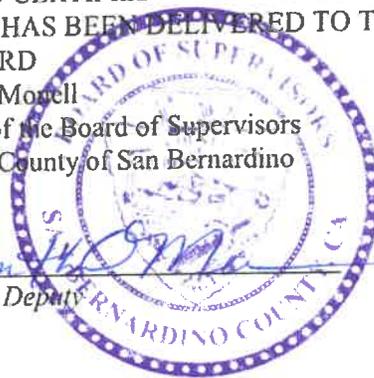
COUNTY OF SAN BERNARDINO, a political subdivision of the State of California

By:   
Curt Hagman, Chair  
Board of Supervisors

Date: FEB 09 2021

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

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

By:   
Deputy  


APPROVED AS TO LEGAL FORM:  
MICHELLE D. BLAKEMORE  
County Counsel

By:   
Suzanne Bryant, Deputy County Counsel

Date: 2-5-2021

GRANTEE:

OWNER:

Shangri-La Industries, LLC, a Delaware limited liability company

By: 

Name: Andrew Meyers Abdul-Wahab

Its: President

Date: 2/4/2021

OWNER:

450 G Street, LP, a Delaware limited partnership

By: 

Name: Andrew Meyers Abdul-Wahab

Its: Member

Date: 2/4/2021

STEP UP:

STEP UP ON SECOND STREET, INC., a California nonprofit public benefit corporation

By: 

Name: Todd Light

Its: CEO

Date: 2/4/21

[Signature Page Continues]

ATTACHMENT A

EXHIBIT B

UPDATED APPROVED FINANCING PLAN

**TABLE 1**  
**PROJECT SOURCES AND USES**  
**ALL STAR LODGE**  
**SAN BERNARDINO COUNTY, CALIFORNIA**

<b>I.</b>	<b><u>Estimated Development Costs</u></b>	
	<b>A. Property Assemblage Costs</b>	<b>\$7,928,250</b>
	<b>B. <u>Direct Costs</u></b>	
	Site Improvement Costs	\$304,000
	Environmental Costs	194,688
	Rehabilitation Costs	2,210,842
	Contractor Costs	374,936
	Direct Cost Contingency Allowance	<u>200,000</u>
	<b>Subtotal - Direct Costs</b>	<b>\$3,284,466</b>
	<b>C. <u>Indirect Costs</u></b>	
	Architecture, Engineering & Consulting	\$245,909
	Permits & Fees	75,000
	Taxes, Insurance, Legal & Accounting	388,860
	Development Management Fee	160,000
	Indirect Cost Contingency Allowance	<u>50,000</u>
	<b>Subtotal - Indirect Costs</b>	<b>\$919,769</b>
	<b>D. <u>Financing Costs</u></b>	
	Interest During Construction	\$289,000
	Construction Loan Fees	64,013
	Permanent Loan Fees	97,592
	Project Homekey Operating Subsidy	<u>1,824,000</u>
	<b>Subtotal - Financing Costs</b>	<b>\$2,274,605</b>
	<b>Total Development Costs</b>	<b>\$14,407,090</b>
	Per Unit	\$189,567
<b>II.</b>	<b><u>Available Construction Funding Sources</u></b>	
	Project Homekey Capital Funds	\$8,380,402
	Project Homekey Operating Subsidy	1,824,000
	Construction Loan	3,169,803
	General Partner Equity	<u>1,032,884</u>
	<b>Total Construction Funding Sources</b>	<b>\$14,407,089</b>
<b>III.</b>	<b><u>Available Permanent Funding Sources</u></b>	
	Project Homekey Capital Funds	\$8,380,402
	Project Homekey Operating Subsidy	1,824,000
	Permanent Loan	3,169,803
	General Partner Equity	<u>1,032,884</u>
	<b>Total Funding Sources</b>	<b>\$14,407,089</b>
<b>IV.</b>	<b><u>Financial Gap Calculation</u></b>	
	Total Development Costs	\$14,407,090
	(Less) Total Permanent Funding Sources	<u>(14,407,089)</u>
	<b>Financial Gap</b>	<b>\$1</b>

*Note: The information provided in this summary table was taken directly from the Project Homekey Application received on 1/12/2021.*

**TABLE 2**  
**CASH FLOW ANALYSIS**  
**ALL STAR LODGE**  
**SAN BERNARDINO COUNTY, CALIFORNIA**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>I. Effective Gross Income</b>										
1 Tenant Rent Payments			\$94,556	\$96,920	\$99,343	\$101,827	\$104,372	\$106,982	\$109,656	\$112,398
2 CoC Voucher Revenue		\$73,616	75,456	77,342	79,276	81,258	83,289	85,371	87,506	89,693
3 Other Income	\$27,360	28,044	28,745	29,464	30,200	30,955	31,729	32,522	33,336	34,169
(Less) Vacancy Allowance @ 5%	(1,368)	(5,083)	(9,938)	(10,186)	(10,441)	(10,702)	(10,970)	(11,244)	(11,525)	(11,813)
4 Homekey Operating Subsidy	456,000	456,000	0	0	0	0	0	0	0	0
5 County COSR	<u>328,000</u>	<u>244,000</u>	<u>543,000</u>	<u>556,000</u>	<u>571,000</u>	<u>586,000</u>	<u>601,000</u>	<u>617,000</u>	<u>634,000</u>	<u>320,000</u>
<b>Effective Gross Income</b>	<b>\$809,992</b>	<b>\$796,577</b>	<b>\$731,819</b>	<b>\$749,540</b>	<b>\$769,378</b>	<b>\$789,338</b>	<b>\$809,421</b>	<b>\$830,632</b>	<b>\$852,973</b>	<b>\$544,447</b>
<b>II. Operating Expenses</b>										
6 Management Fee	\$36,480	\$37,757	\$39,078	\$40,446	\$41,862	\$43,327	\$44,843	\$46,413	\$48,037	\$49,718
Utilities	74,708	77,323	80,029	82,830	85,729	88,730	91,835	95,049	98,376	101,819
Operating and Maintenance	288,420	298,515	308,963	319,776	330,969	342,552	354,542	366,951	379,794	393,087
Additional Management Expense	80,000	82,800								
Insurance	53,200	55,062	56,989	58,984	61,048	63,185	65,396	67,685	70,054	72,506
Property Taxes	41,420	7,500	7,650	7,803	7,959	8,118	8,281	8,446	8,615	8,787
Replacement Reserve Deposits	<u>36,050</u>	<u>37,312</u>	<u>38,618</u>	<u>39,969</u>	<u>41,368</u>	<u>42,816</u>	<u>44,315</u>	<u>45,866</u>	<u>47,471</u>	<u>49,132</u>
<b>Total Operating Expenses</b>	<b>\$610,278</b>	<b>\$596,268</b>	<b>\$531,327</b>	<b>\$549,809</b>	<b>\$568,935</b>	<b>\$588,728</b>	<b>\$609,212</b>	<b>\$630,410</b>	<b>\$652,348</b>	<b>\$675,051</b>
<b>III. Net Operating Income</b>	<b>\$199,714</b>	<b>\$200,308</b>	<b>\$200,492</b>	<b>\$199,731</b>	<b>\$200,443</b>	<b>\$200,610</b>	<b>\$200,209</b>	<b>\$200,222</b>	<b>\$200,625</b>	<b>(\$130,604)</b>
(Less) Perm Loan Debt Service Pmts	(\$160,368)	(\$160,368)	(\$160,368)	(\$160,368)	(\$160,368)	(\$160,368)	(\$160,368)	(\$160,368)	(\$160,368)	(\$160,368)
(Less) Asset Management Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>IV. Net Cash Flow</b>	<b>\$39,346</b>	<b>\$39,940</b>	<b>\$40,124</b>	<b>\$39,363</b>	<b>\$40,075</b>	<b>\$40,242</b>	<b>\$39,841</b>	<b>\$39,854</b>	<b>\$40,257</b>	<b>(\$290,972)</b>
<b>V. Debt Service Coverage Ratio</b>	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	(0.81)
<b>VI. County Operating Subsidy Reserve</b>										
Initial Balance	\$5,000,000	\$4,672,000	\$4,428,000	\$3,885,000	\$3,329,000	\$2,758,000	\$2,172,000	\$1,571,000	\$954,000	\$320,000
Withdrawal	(328,000)	(244,000)	(543,000)	(556,000)	(571,000)	(586,000)	(601,000)	(617,000)	(634,000)	(320,000)
<b>Ending Balance</b>	<b>\$4,672,000</b>	<b>\$4,428,000</b>	<b>\$3,885,000</b>	<b>\$3,329,000</b>	<b>\$2,758,000</b>	<b>\$2,172,000</b>	<b>\$1,571,000</b>	<b>\$954,000</b>	<b>\$320,000</b>	<b>\$0</b>

1 Tenant rent payments, CoC voucher revenue and other income are escalated at 102.5%/year.

2 Based on average tenant rent payments equal to \$100/unit/month in Year 1 escalated at 102.50% in Years 1 - 3.

3 Assumes 9 CoC Vouchers and a fair market rent equal to \$765/CoC Voucher and escalated at 102.50% per year.

4 Based on a total operating subsidy equal to \$1,824,000 (Enterprise Grant). In both Years 1 and 2, 25% of the total operating subsidy amount is available for project operating expenses. The remaining amount will be utilized for social service expenses, which are underwritten separately from this cash flow.

5 The County COSR withdrawal amounts are sized to meet the Lender's minimum debt service coverage ratio requirement of 1.25 DSCR.

6 Property taxes are escalated at 102.0%/year. All other operating expenses are escalated at 103.5%/year.

7 Debt service payments are based on a \$3,169,803 permanent loan, a 3.0% interest rate and a 30-year amortization.

However, the initial TerraCotta Loan has a minimum interest rate of 8% and an initial 18-month term. The 5% interest rate differential (8% - 3% = 5%) is funded through a \$289,000 capitalized interest reserve. Shangri-La agrees that if they are unable to secure a refinancing loan with a 3% interest rate, Shangri-La will pay all interest above 3% for the remainder of the 10-year period.

ATTACHMENT B

EXHIBIT C

UPDATED SCHEDULE OF PERFORMANCE

EXHIBIT C

UPDATED SCHEDULE OF PERFORMANCE

This Schedule of Performance sets forth the schedule for various activities under the Agreement to which this exhibit is attached. The description of items in this Schedule of Performance is meant to be descriptive only, and shall not be deemed to modify in any way the provisions of the Agreement to which such items relate. Times for performance are subject to Force Majeure, as further provided in Section 7.15 of the Agreement, and the notice and cure rights as further provided in Section of the Agreement.

As provided in the Agreement, this Schedule of Performance may only be modified in a writing executed by all Parties, in accordance with Section 7.9 of the Agreement.

Milestone	Date
Execute Standard Agreement	On or before December 4, 2020
Execute Grant Documents	On or before December 16, 2020
Submit Evidence of Insurance	On or before February 9, 2021
Close on Acquisition Financing, Construction Financing and Acquire Property	On or before December 7, 2020
Submit plans and application(s) for plan check and building permit to City of San Bernardino	On or before February 9, 2021
Submit and obtain approval of Management Plan, Social Services Plan, Program Participant Agreement	On or before February 9, 2021
Provide Bonds or Executed Guaranty Acceptable to the County	At least 30 days prior to request for disbursement of County Grant Funds  Deemed completed as of 2/3/2021
County Grant Issuance	Within 10 business days of the satisfaction of all conditions precedent to disbursement
Obtain Building Permits	At least 30 days prior to request for disbursement of County Grant Funds
Begin rehabilitation and unit conversion	Within five (5) business days from obtaining Building Permits or no later than February __, 2021
Commence leasing units	Within __ days of Acquisition Closing but in no event before the County's approval of the Management Plan, Social Services

<b>Milestone</b>	<b>Date</b>
	Plan, Program Participant Agreement
Building Occupancy of 50% or more	Within 90 days of Property Acquisition
Complete 90% of building occupancy	Within 180 days of Property Acquisition
Complete rehabilitation and unit conversion	Within two (2) years of commencing rehabilitation but in no event later than June 30, 2023.