

ESTOPPEL CERTIFICATE

January 31, 2023

State of California Department of Housing
and Community Development ("HCD")
2020 W. El Camino Avenue, Ste. 670
Sacramento, CA 95833

Re: \$1,878,875.00 County HOME Investment Partnership Act Loan from San Bernardino County (the "Lender") to Waterman Gardens Partners 2, L.P. (the "Borrower"), secured by a Deed of Trust encumbering the property located at 575 East Baseline Street, San Bernardino, California.

Ladies and Gentlemen:

The Borrower is the maker/mortgagor of the following described note and deed of trust encumbering the above-referenced property:

1. County HOME Promissory Note Secured by Deed of Trust (Arrowhead Grove Phase II) in the original principal amount of \$2,900,0000.00 from the Borrower to the Lender, dated as of August 6, 2019 (the "**Note**").
2. Leasehold Deed of Trust with Assignment of Rents, Security Agreement, and Fixture Filing, dated as of September 25, 2019 and recorded in the official records of San Bernardino County on October 1, 2019, under document number 2019-0352096 (the "**Deed of Trust**").

The Lender understands that the Borrower intends to consummate the closing of a permanent loan with HCD under the Affordable Housing and Sustainable Communities Program in the amount of \$17,422,714 (the "**Loan**"). In connection therewith, Lender hereby certifies to HCD as follows:

- a. The Lender is presently the legal holder of the Note and the Deed of Trust.
- b. The unpaid principal balance of the Note, as of the date hereof, is \$1,878,875.
- c. As of the date hereof there exists no monetary default under the Note or the Deed of Trust and the undersigned are unaware of any non-monetary defaults or matters which, with the passage of time, would result in a default.
- d. The undersigned understands and agrees that HCD shall rely on the contents of this Estoppel Certificate in connection with the granting of the Loan.


This Estoppel Certificate may be executed in counterparts and any facsimile or electronic copy hereof shall be deemed to be an original for all purposes.

[Page Ends Here – Signature Page Follows]

Executed as a sealed instrument as of the date first above written.

LENDER:

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

By: 
Leonard X. Hernandez, Chief Executive Officer

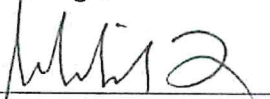
Agreed and Assented to:

BORROWER:

WATERMAN GARDENS PARTNERS 2, L.P.,
a California limited partnership

By: WG Partners 2 MGP, LLC, a California
limited liability company, its general partner

By: National Community Renaissance of California,
a California nonprofit public benefit corporation,
its sole member/manager

By: 
Name: Michael Finn
Title: Chief Financial Officer



County of San Bernardino DELEGATED AUTHORITY – DOCUMENT REVIEW FORM

This form is for use by any department or other entity that has been authorized by Board of Supervisors/Directors action to execute grant applications, awards, amendments or other agreements on their behalf. All documents to be executed under such delegated authority must be routed for County Counsel and County Administrative Office review prior to signature by designee.

Note: This process should NOT be used to execute documents under a master agreement or template, or for construction contract change orders. Contact your County Counsel for instructions related to review of these documents.

Complete and submit this form, along with required documents proposed for signature, via email to the department's County Counsel representative and Finance Analyst. If the documents proposed for signature are within the delegated authority, the department will submit the requisite hard copies for signature to the County Counsel representative. Once County Counsel has signed, the department will submit the signed documents in hard copy, as well as by email, to CAO Special Projects Team for review. If approved, the department will be provided routing instructions as well as direction to submit one set of the executed documents to the Clerk of the Board within 30 days.

For detailed instructions on submission requirements, reference Section 7.3 of the Board Agenda Item Guidelines as the Delegation of Authority does not eliminate the document submission requirements.

Department/Agency/Entity: Community Development and Housing

Contact Name: Becky Sanabria

Telephone: 387.4398

Agreement No.: _____ Amendment No.: _____ Date of Board Item 8/6/19 Board Item No.: 15

Name of Contract Entity/Project Name: Arrowhead Grove Phase II Affordable Housing

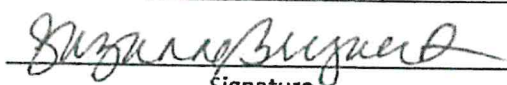

Explanation of request/Special Instructions:

On August 6, 2019, the Board approved Item No. 15, which delegated authority to the Chief Executive Officer upon consultation with County Counsel, to execute ancillary documents required for the project financing.

Construction of Arrowhead Grove Phase II has concluded. The Developer is transitioning the construction loan to the permanent financing. Execution of the Estoppel Certificate allows the verification to potential lenders that the Developer has met requirements related to the HOME Loan Agreement. See attached for further explanation.

Insert check mark that the following required documents are attached to this request:

- ☐ Documents proposed for signature (Note: For contracts, include a signed non-standard contract coversheet for contracts not submitted on a standard contract form).
- ☒ Board Agenda item that delegated the authority

Department Routed to County Counsel	County Counsel Name: Suzanne Bryant	Date Sent: 12/22/22
Reviewing County Counsel Use Only	Review Date <u>12-22-22</u>  Signature	Determination: <input checked="" type="checkbox"/> Within Scope of Delegated Authority <input type="checkbox"/> Outside Scope of Delegated Authority
CAO-Special Projects Use Only	Review Date <u>2/1/23</u>  Signature	Disposition: <input checked="" type="checkbox"/> Route for signature to: ____ Chair <input checked="" type="checkbox"/> CEO ____ Department ____ Return to Department for preparation of agenda item