

## ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this "Agreement") is entered into as of \_\_\_\_\_, 2020, by and among the County of San Bernardino, a political subdivision of the State of California (the "County"), BRE MG Creekside Village LP, a Delaware limited partnership (the "Assignor"), and MCP El Serrano LP, a California limited partnership (the "Assignee"). The County, the Assignor and the Assignee shall each be referred to as a "Party", and shall collectively be referred to as the "Parties."

### RECITALS

A. The Assignor owns certain real property located at 495 E. 3rd Street, San Bernardino, CA as more particularly described in the attached Exhibit A, comprised of a 304-unit apartment complex commonly referred to as "Creekside Village" which the Assignor desires to sell to the Assignee pursuant to the terms of that certain Purchase Agreement (Creekside Village, San Bernardino, California) dated as of September 14, 2020, as amended (the "Purchase Agreement").

B. In connection with the \$6,812,000 Multifamily Housing Revenue Bonds 1999 Series A (Creekside Village Apartments) and \$2,795,992.40 Taxable Multifamily Housing Revenue Bonds 2000 Series T (Creekside Village Apartments) issued by the County, the County recorded that certain Regulatory Agreement and Declaration of Restrictive Covenants dated as of August 1, 1999 and recorded in the official records of the County of San Bernardino (the "Official Records") as document number 1999-0356027 on August 20, 1999 (the "Original Regulatory Agreement"), as amended by that certain First Amendment to Regulatory Agreement, dated as of August 1, 1999 and recorded in the Official Records as document number 20000453951 on December 08, 2000 (the "First Amendment"), as further amended by that certain Second Amendment to Regulatory Agreement, dated as of April 23, 2014 and recorded in the Official Records as document number 2014-0144929 on April 23, 2014 (the "Second Amendment"). The Original Regulatory Agreement, the First Amendment and the Second Amendment are hereinafter referred to as the "Bond Regulatory Agreement" which by its terms is to expire July 31, 2049.

C. Whereas as part of the transfer under the Purchase Agreement, the Assignor desires to sell all of its interest in the Creekside Village and assign the Assumed Obligations (defined in Section 1 below) to the Assignee and the Assignee desires to acquire all of Assignor's interest in the Creekside Village and to assume all of the Assumed Obligations. The County desires to acknowledge and consent to the foregoing assignment and assumption and to release Assignor from its obligations and liabilities regarding the Bond Regulatory Agreement.

D. Pursuant to Section 15 of the Bond Regulatory Agreement, the Assignor shall not enter into a sale, lease, exchange, assignment, conveyance, transfer or other disposition of all or

substantially all of the project without the prior written consent of the County, which consent shall not be unreasonably withheld, as long as the requirement of Section 15 are fully satisfied;

E. As required under the Bond Regulatory Agreement, the Assignor and Assignee have requested that the County consent to the transfer of the Creekside Village as provided in the Purchase Agreement.

F. The Parties intend for this Agreement to be recorded in the Official Records concurrently with the recordation in the Official Records of the grant deed conveying the Assignor's interest in the Creekside Village from the Assignor to the Assignee.

NOW THEREFORE, in consideration of the foregoing, and in consideration of the mutual promises of the Parties hereto and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties mutually agree as follows:

Section 1. Assignment by the Assignor. As of the Effective Date (as defined below), the Assignor hereby assigns to the Assignee all of the Assignor's rights, title and interest in and to, and all obligations and liabilities under the Bond Regulatory Agreement (the "Assumed Obligations").

Section 2. Acceptance of Assignment and Assumption of the Assumed Interest by the Assignee. As of the Effective Date, the Assignee hereby fully and unconditionally accepts and assumes the above assignment of the Assumed Obligations and hereby assumes all of the Assumed Obligations. The Assignee hereby agrees to perform all of the terms, covenants, obligations and conditions imposed upon Assignor under the Bond Regulatory Agreement as if the Assignee were the original signatory thereto. The Assignee agrees to be bound in every way by all of the grants, terms, conditions, and covenants in respect of the Assignor contained in the Assumed Obligations. Nothing in this Agreement is intended or shall be construed to impose upon any member of the Assignee personal liability for any of the Assumed Obligations pursuant to this Agreement, which are non-recourse obligations under the Bond Regulatory Agreement.

Section 3. County Consent and Release. The County hereby consents to the assignment to, and assumption of, the Assumed Obligations by the Assignee, as well as to the transfer of Creekside Village to the Assignee. By the County's execution of this Agreement, the County acknowledges and confirms that to the County's actual knowledge (without any duty to investigate and not including implied knowledge) no condition of default has occurred or is continuing to occur under the Bond Regulatory Agreement, and the Bond Regulatory Agreement is in full force and effect, and that pursuant to Section 15 of the Bond Regulatory Agreement, all conditions precedent to the transfer of Creekside Village and the Bond Regulatory Agreement have been satisfied or waived. The County further agrees to the placement of the mortgage lien of Arbor Commercial Funding I, LLC pursuant to that certain Multifamily Loan and Security Agreement of even date herewith, to be recorded against the Property in a lien position subordinate to the Bond Regulatory Agreement. The County, for itself and on behalf of its respective successors and assigns hereby releases and forever discharges the Assignor and its respective officers, directors, employees, attorneys, and predecessors (each a "Released Party", and, collectively, the "Released Parties") from the Assumed Obligations and the Bond Regulatory Agreement, except for any of Assignor's indemnification obligations under the Bond Regulatory Agreement to the extent that the events, actions, or failure to act which gave rise to such obligations took place prior to the transfer under the Purchase Agreement. The Released Parties acknowledge and agree that the County has only released the Released Parties only to the extent

that the events, actions, or failure to act which gave rise to such obligations took place prior to the transfer under the Purchase Agreement.

Section 4. Effective Date. This Agreement and the assignment, assumption and release described in this Agreement shall be effective as of the date this Agreement is recorded in the Official Records which shall be recorded concurrently with the grant deed transferring Assignor's interest in and to the Creekside Village to Assignee (the "Effective Date").

Section 5. Representation and Warranty of Assignor. Assignor represents and warrants to the County and Assignee that, to Assignor's actual knowledge, as of the date hereof there exists no event of default under the Bond Regulatory Agreement and that there is no event that, with the giving of notice, the passage of time, or both, would constitute an event of default. The foregoing representations and warranties shall survive Assignee's acquisition of the Creekside Village.

Section 6. Exhibits. The exhibit attached to this Agreement is hereby incorporated into this Agreement by this reference.

Section 7. California Law and Venue. This Agreement shall be governed exclusively by and interpreted and construed in accordance with the laws of the State of California. In the event any legal action is commenced to interpret or to enforce the terms of this Agreement or the Bond Regulatory Agreement, the venue for such action shall be the Superior Court of San Bernardino County.

Section 8. Invalidity. Any provision of this Agreement which is determined by a court to be invalid or unenforceable shall be deemed severed herefrom, and the remaining provisions shall remain in full force and effect as if the invalid or unenforceable provision had not been a part hereof.

Section 9. Headings; Interpretations. The headings used in this Agreement are for convenience only and shall be disregarded in interpreting the substantive provisions of this Agreement. The Parties agree that this Agreement has been prepared by all of the Parties and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply to the interpretation of this Agreement (including, but not limited to, California Civil Code Section 1654, as may be amended from time to time).

Section 10. Amendments. No provision of this Agreement may be amended, changed or waived except by a written instrument signed by all of the Parties (or, in the case of a waiver, by the Party against whom enforcement of the waiver is sought).

Section 11. Counterparts; Multiple Originals. This Agreement may be signed in counterparts, and in multiple originals each of which shall constitute one and the same instrument.

Section 12. Recordation. Assignor and Assignee agree to promptly record the transfer of Creekside Village in the Official Records.

Section 13. Payment of Fees. The Assignee agrees to promptly pay to the County reasonable fees and expenses (including without limitation, allocable internal costs and fees and expenses of counsel to the County) in conjunction with the negotiation and implementation of this Agreement and the related instruments contemplated herein.

***Remainder of Page Left Intentionally Blank***

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

**ASSIGNEE:**

MCP El Sereno, LP, a California limited partnership


By: FFAH V Creekside Village, LLC, a California limited liability company, managing general partner

By: Foundation for Affordable Housing V, Inc., a California non-profit public benefit corporation, sole member

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

Its: \_\_\_\_\_

Afton Holdings Creekside GP LLC, a California limited liability company, administrative general partner

By:  \_\_\_\_\_  
Reuven Gradon, manager

[SIGNATURE PAGE CONTINUES]

## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Los Angeles )

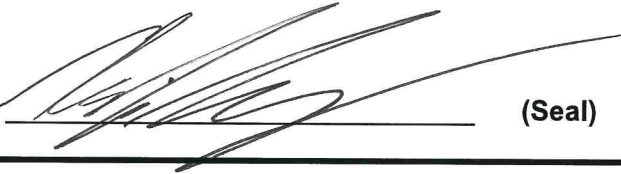
On November 4th, 2020 before me, Rafi Sudaley, Notary Public  
(insert name and title of the officer)

personally appeared Reuven Chaim Gradon  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

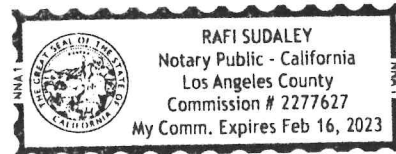
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)



IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

**ASSIGNEE:**

MCP El Sereno, LP, a California limited partnership

By: FFAH V Creekside Village, LLC, a California limited liability company, managing general partner

By: Foundation for Affordable Housing V, Inc., a California non-profit public benefit corporation, sole member

By: 

Deborah A. Willard, President

Afton Holdings Creekside GP LLC, a California limited liability company, administrative general partner

By: \_\_\_\_\_  
Reuven Gradon, manager

[SIGNATURE PAGE CONTINUES]

**Acknowledgment in an Individual Capacity**

State of OREGON

County of Deschutes

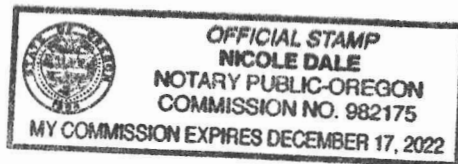
This record was acknowledged before me on (date) November 4, 2020 by

(name(s)) of individual(s) Deborrah A. Willard.



Notary Public - State of Oregon

Official Stamp



Document Description

This certificate is attached to page \_\_\_\_ of a \_\_\_\_\_ (title or type of document), dated \_\_\_\_\_, 20 \_\_\_\_, consisting of \_\_\_\_\_ pages.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

**ASSIGNOR:**

BRE MG Creekside Village, LP, a Delaware limited partnership

By: BRE MG MF Creekside Village GP LLC, a Delaware limited liability company, its general partner

By: Melissa Pianko  
Melissa Pianko  
Managing Director and Vice President

**ASSIGNEE:**

MCP El Sereno LP, a California limited partnership

By: FFAH V Creekside Village, LLC, a California limited liability company, managing general partner

By: Foundation for Affordable Housing V, Inc., a California non-profit public benefit corporation, sole member

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

Its: \_\_\_\_\_

Afton Holdings Creekside GP LLC, a California limited liability company, administrative general partner

By: \_\_\_\_\_  
Reuven Gradon, manager

[SIGNATURE PAGE CONTINUES]

[illegible]

On this 3rd day of November, 2020, before the undersigned officer, personally appeared Melissa Pianko, the Managing Director, Vice President and Authorized Real Estate Signatory of BRE MG MF CREEKSIDE VILLAGE GP LLC, a Delaware limited liability company, the general partner of BRE MG CREEKSIDE VILLAGE LP, a Delaware limited partnership, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledge that she executed the same on behalf of BRE MG MF CREEKSIDE VILLAGE GP LLC, a Delaware limited liability company, the general partner of BRE MG CREEKSIDE VILLAGE LP, a Delaware limited partnership, voluntarily for the purpose contained herein and is the free act and deed of such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My commission expires:

[Notarial Seal]

**APRIL B. ABRAMS**  
**Notary Public, State of New York**  
**No. 01AB5030907**  
**Qualified in Nassau County**  
**Commission Expires 07/25/2022**

**COUNTY:**

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

By: \_\_\_\_\_  
Curt Hagman, Chairman  
Board of Supervisors

Date of Execution: \_\_\_\_\_

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

LYNNA MONELL  
Clerk of the Board of Supervisors

\_\_\_\_\_  
APPROVED AS TO LEGAL FORM:

MICHELLE D. BLAKEMORE  
County Counsel

By: \_\_\_\_\_  
Robert F. Messinger  
Principal Assistant City Counsel

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 OF THE PROPERTY

The land is situated in the City of San Bernardino, County of San Bernardino, State of California, and is described as follows:

PARCEL A:

PARCEL 3 OF PARCEL MAP NO. 8664, IN THE CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 92, PAGES 19 THROUGH 22, INCLUSIVE, OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL B:

A NON-EXCLUSIVE EASEMENT FOR THE RIGHT TO ACCESS AND USE OF A 10 FOOT PRIVATE SEWER EASEMENT APPURTENANT TO PARCEL A ABOVE LOCATED OVER AND ACROSS THE SOUTHERLY 10 FEET OF PARCEL 1 OF PARCEL MAP NO. 8664, IN THE CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 92, PAGES 12 THROUGH 22, INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE SOUTHERLY 10 FEET OF THE WEST 100 FEET AS QUITCLAIMED BY DEED RECORDED FEBRUARY 16, 1987 AS INSTRUMENT NO. 87052554 OF OFFICIAL RECORDS.

APN: 0135-321-17 & 18