

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: April 6, 2022

CAO File No. 0220-00540-1593

Council File No. 18-0517

Council District: 8

To: The Mayor
The Council

From: *for* Matthew W. Szabo, City Administrative Officer 

Reference: Los Angeles Housing Department transmittal dated March 7, 2022; Received by the City Administrative Officer on March 7, 2022; Additional Information Received through April 4, 2022

Subject: **REQUEST FOR AUTHORITY TO RE-ISSUE TAX-EXEMPT MULTIFAMILY CONDUIT REVENUE BONDS IN AN AMOUNT UP TO \$12,263,943 FOR THE POINTE ON VERMONT, A SUPPORTIVE AND AFFORDABLE HOUSING PROJECT**

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Note and file the Los Angeles Housing Department (LAHD) transmittal, dated March 7, 2022, relative to the re-issuance of tax-exempt multifamily conduit revenue bonds for the Pointe on Vermont project;
2. Adopt the Resolution attached to this report, authorizing the re-issuance of up to \$12,263,943 in tax-exempt multifamily conduit revenue bonds for the Pointe on Vermont project; and,
3. Authorize the General Manager of the LAHD, or designee, to negotiate and execute the relevant bond documents for the Pointe on Vermont, subject to the approval of the City Attorney as to form.

SUMMARY

The Los Angeles Housing Department (LAHD) requests authority to re-issue tax-exempt multifamily housing conduit revenue bonds in an amount not to exceed \$12,263,943 to finance the construction of the affordable housing development known as the Pointe on Vermont project (Project). The Project consists of the new construction of 25 units of supportive housing for individuals experiencing chronic homelessness or formerly experienced homelessness, 24 units of affordable housing for low-income individuals, and one unrestricted manager unit. The subject site is located

at 950 West 76th Street and 7600-7610 South Vermont Avenue, Los Angeles, CA 90044, in Council District Eight. The California Debt Limit Allocation Committee (CDLAC) awarded a tax-exempt bond allocation for the Project to the City on December 12, 2018 in an amount not to exceed \$12,263,943 and designated a June 24, 2019 issuance deadline. At LAHD's request, CDLAC granted one five-day extension and designated July 1, 2019 as the revised issuance deadline. The City subsequently issued \$12,263,943 in tax-exempt bonds on June 28, 2019. The LAHD reports that unexpected conditions have delayed conversion to permanent financing, including construction delays related to meeting accessibility requirements. The borrower, Pointe on Vermont, L.P., requested changes to the Trust Indenture and other bond documents to request an extension to the permanent conversion date. Additional information regarding the requested change can be found in the LAHD transmittal dated March 7, 2022 (Report). The LAHD confirms that the total tax-exempt bond amount remains the same and there is no need for an additional bond allocation from CDLAC. Subsequent to the release of its Report, the LAHD provided a copy of the Second Amendment to Loan Documents (Second Amendment) referenced in the Project's Bond Resolution for Council's consideration and a copy of the First Amendment to Loan Documents referenced in the Second Amendment for informational purposes. The Bond Resolution, including the Second Amendment, is attached to this report for Council's consideration and adoption. This Office concurs with the Department's recommendations, as amended, to include the revised Bond Resolution.

The City's involvement in the issuance of tax-exempt, multifamily housing conduit revenue bonds is considered true conduit financing, in which the obligation for repayment of the bonds is the responsibility of Pointe on Vermont, L.P. The City bears no financial responsibility for repayment as the issuer. There will be no impact to the General Fund. The financing is consistent with City policies regarding conduit financing.

The Council adopted a Responsible Banking Ordinance (RBO) in May 2012 (C.F. 09-0234 and C.F. 09-0234-S1). The purpose of the RBO is to create a social investment policy that reflects the community's priorities and acts as a tool when seeking financial services. U.S. Bank National Association (U.S. Bank) is currently in compliance with the reporting requirements of the RBO and LAHD will ensure that U.S. Bank will continue to comply with the City's RBO. The City acts only as a conduit issuer, not the borrower, in this bond transaction and has no financial interest in this transaction.

FISCAL IMPACT STATEMENT

There will be no impact to the General Fund as a result of the re-issuance of these tax-exempt multifamily conduit revenue bonds (bonds) for the Pointe on Vermont (Project). The City is a conduit issuer and does not incur liability for the repayment of the bonds, which are a limited obligation payable solely from the revenues of the Project, and the City is not, under any circumstances, obligated to make payments on the bonds.

FINANCIAL POLICIES STATEMENT

The recommendations in this report comply with the City's Financial Policies.

DEBT IMPACT STATEMENT

There is no debt impact as these bonds are a conduit issuance debt and not a debt of the City.

MWS:MOF:02220126c

Attachments

RESOLUTION
CITY OF LOS ANGELES

A RESOLUTION APPROVING FOR PURPOSES OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986 THE TECHNICAL REISSUANCE OF BONDS BY THE CITY OF LOS ANGELES TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE MULTIFAMILY HOUSING PROJECT LOCATED WITHIN THE CITY OF LOS ANGELES AND APPROVING, FURTHER, CERTAIN AMENDMENTS TO THE EXISTING LOAN DOCUMENTS.

WHEREAS, the City of Los Angeles (the “City”) is authorized, pursuant to Section 248, as amended, of the City Charter (the “Charter”) of the City and Article 6.3 of Chapter 1 of Division 11 of the Los Angeles Administrative Code, as amended (the “Law”), to issue its revenue bonds for the purposes of providing permanent financing for the acquisition, construction and development of multifamily rental housing for persons and families of low or moderate income (the “Program”) which will satisfy the provisions of Chapter 7 of Part 5 of Division 31 of the Health and Safety Code of the State of California (the “Act”); and

WHEREAS, the City previously issued its Multifamily Housing Revenue Bond (The Pointe on Vermont Apartments), Series 2019K in the aggregate principal amount of \$12,263,943 (the “Bond”) pursuant to an Indenture of Trust dated as of June 1, 2019 (the “Indenture”) among the City, U.S. Bank National Association, as trustee (in such capacity, the “Trustee”) and U.S. Bank National Association, as Initial Bondowner Representative (in such capacity, the “Bondowner Representative”) to fund a loan to finance the acquisition, construction and equipping of that certain multifamily rental housing project described in paragraph 9 below (the “Project”); and

WHEREAS, the Project is located wholly within the City; and

WHEREAS, the owner of the Project, Pointe on Vermont, L.P., has requested that the City approve modifications to the loan documents to extend the “Termination Date” (as defined therein) which extends the Conversion Date (as defined in the Indenture) of the Bond pursuant to a Second Amendment to Loan Documents (the “Amendment”); and

WHEREAS, it is in the public interest and for the public benefit that the City authorize, execute and deliver as necessary the Amendment and it is within the powers of the City to provide for such amendments; and

WHEREAS, the amendments effected by the Amendment will cause the Bond to be “reissued” under the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, the interest on the “reissued” Bond may qualify for a federal tax exemption under Section 142(a)(7) of the Code, only if such reissued Bond is approved in accordance with Section 147(f) of the Code; and

WHEREAS, pursuant to the Code, the Bond is required to be approved, following a public hearing, by an elected representative of the issuer of the Bond (or of the governmental unit on behalf of which the Bond is issued) and an elected representative of the governmental unit having jurisdiction over the area in which the relevant Project is located; and

WHEREAS, this City Council is the elected legislative body of the City and is the applicable elected representative required to approve the issuance of the Bond within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the City caused a notice to appear in the *Los Angeles Times*, which is a newspaper of general circulation in the City, on May 5, 2018, to the effect that a public hearing would be held on May 21, 2018, regarding the issuance of the Bond pursuant to a plan of financing; and

WHEREAS, the Los Angeles Housing and Community Investment Department (now known as the Los Angeles Housing Department) held said public hearing on such date, at which time an opportunity was provided to present arguments both for and against the issuance of the Bond pursuant to a plan of financing; and

WHEREAS, the minutes of such public hearing, together with any written comments received in connection therewith, have been presented to the City Council; and

WHEREAS, the form of the Amendment has been presented to the City Council;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Los Angeles, as follows:

1. The recitals hereinabove set forth are true and correct, and this City Council so finds. This Resolution is being adopted pursuant to the Law and in accordance with the Act.

2. Pursuant to and solely for the purposes of Section 147(f) of the Code, the City Council hereby approves the reissuance of the Bond by the City in one or more series to finance the Project. It is intended that this Resolution constitute approval of the reissued Bond: (a) by the applicable elected representative of the issuer of the Bond and (b) by the applicable elected representative of the governmental unit having jurisdiction of the area in which the Project is located in accordance with said Section 147(f).

3. The execution and delivery on behalf of the City of the Amendment substantially in the form presented to the City Council, for the purpose of (i) extending the conversion date (ii) making various ancillary or conforming changes to the loan documents and (iii) consenting to the Amendment (together with any other related amendments requiring the City’s consent) is hereby approved, and each Authorized City Representative (as such term is defined in the Indenture) is hereby authorized and directed, for and on

behalf of the City, to execute the Amendment with such changes as such Authorized City Representative may approve upon consultation with the City Attorney and/or Bond Counsel and approval by the City Attorney, such approval by the Authorized City Representative to be conclusively evidenced by the execution of such Amendment.

4. All actions heretofore taken by the officers and agents of the City with respect to the sale and issuance of the Bond are hereby approved, confirmed and ratified, and each Authorized Representative of the City, the City Clerk and other properly authorized officers of the City are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including, but not limited to, those described in the Indenture.

5. The City Clerk of the City or any deputy thereof is hereby authorized to countersign or to attest the signature of any Authorized City Representative and to affix and attest the seal of the City as may be appropriate in connection with the execution and delivery of any of the documents authorized by this resolution, provided that the due execution and delivery of said documents or any of them shall not depend on such signature of the City Clerk or any deputy thereof or affixing of such seal. Any of such documents may be executed in multiple counterparts.

6. In addition to the Authorized City Representative, any official of the City, including any official of the Los Angeles Housing Department, as shall be authorized in writing by the Mayor of the City, is hereby authorized for and on behalf of the City to execute and deliver any of the agreements, certificates and other documents, except the Bond, authorized by this Resolution.

7. Each Authorized City Representative and other properly authorized officials of the City as specifically authorized under this resolution are hereby authorized, directed and empowered on behalf of the City and the City Council to execute any other additional applications, certificates, agreements, documents or other instruments or any amendments or supplements thereto, subject to approval by the City Attorney as to form, or to do and to cause to be done any and all other acts and things as they may deem necessary or appropriate to carry out the purpose of the foregoing authorizations and to address any issues arising with respect to the Bond or the agreements relating thereto subsequent to their issuance.

8. This Resolution shall take effect immediately upon its passage and adoption.

9. The “Project” referred to herein is as follows:

Project Name	Number of Units	Address	Owner
The Pointe on Vermont	50 units (including one manager unit)	7600-7610 South Vermont Avenue and 950 West 76th Street, Los Angeles, CA 90044	Pointe on Vermont, L.P.

I certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting on _____, 20__.

By _____

Name _____

Title _____

SECOND AMENDMENT TO LOAN DOCUMENTS

This SECOND AMENDMENT TO LOAN DOCUMENTS (this “**Amendment**”) is made as of January 1, 2022 by POINTE ON VERMONT, L.P., a California limited partnership (“**Borrower**”), and U.S. BANK NATIONAL ASSOCIATION, a national banking association, as “Bondowner Representative” under the Indenture described below (“**Lender**”).

Factual Background

A. The City of Los Angeles, a charter city and municipal corporation in the State of California (the “**Issuer**”), issued its Multifamily Housing Revenue Bond (The Pointe on Vermont Apartments) Series 2019K (the “**Bond**”) in the face principal amount of \$12,263,943 pursuant to that certain Indenture of Trust dated as of June 1, 2019 (“**Indenture**”), by and among Issuer, Lender and U.S. Bank National Association, a national banking association, as trustee (the “**Bond Trustee**”). Utilizing the proceeds of the sale of the Bond, Issuer made a bond loan to Borrower in the amount of \$12,263,943 (the “**Loan**”), pursuant to that certain Loan Agreement dated as of June 1, 2019, by and among Issuer, Lender and Borrower (the “**Loan Agreement**”).

B. The Loan is evidenced by that certain Promissory Note dated as of June 25, 2019 (the “**Note**”), executed by Borrower for the benefit of Issuer, and is secured by, among other things, that certain Construction and Permanent Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of June 25, 2019 (the “**Deed of Trust**”), executed by Borrower for the benefit of Issuer, which recorded in the Official Records of the County of Los Angeles, State of California (“**Official Records**”), on July 1, 2019 as Instrument No. 20290631242. As security for its obligations under the Indenture, Issuer assigned its right, title and interest under the Note, the Deed of Trust and the other Loan Documents (except for certain “Reserved Rights” as defined in the Loan Agreement) to Bond Trustee pursuant to that certain Assignment of Deed of Trust and Related Documents dated as of June 25, 2019, executed by Issuer in favor of Bond Trustee, which was recorded in the Official Records on July 1, 2019 as Instrument No. 20290631243 (the “**Assignment of Deed of Trust**”).

C. In connection with the Loan, Borrower and Lender entered into that certain Bond Financing Agreement dated as of June 25, 2019, as amended by that certain First Amendment to Loan Documents dated as of December 15, 2021, by and between Borrower and Lender (as amended, the “**Bond Financing Agreement**”). The Loan Agreement, the Bond Financing Agreement, the Note, the Deed of Trust, this Amendment and the other “Loan Documents” (as defined in the Bond Financing Agreement) are collectively referred to herein as the “**Loan Documents**”.

D. In connection with the Loan, EAH INC., a California nonprofit public benefit corporation (“**Guarantor**”), executed that certain Repayment and Completion Guaranty dated as of June 25, 2019, in favor of Bond Trustee (the “**Guaranty**”), pursuant to which Guarantor guaranteed the payment and performance of the indebtedness and other obligations of Borrower under the Loan Documents.

E. Concurrently with the making of the Loan, Borrower, Lender and California Community Reinvestment Corporation, a California nonprofit public benefit corporation (“**Permanent Lender**”), entered into that certain Bond Purchase Agreement dated as of June 25, 2019 (as amended, from time to time, the “**Bond Purchase Agreement**”), pursuant to which Permanent Lender agreed to purchase a portion of the Bond, subject to the terms and conditions set forth therein. Concurrently herewith, Borrower, Lender and Permanent Lender are entering into that certain First Amendment to Bond Purchase Agreement dated as of December 21, 2021 (the “**First Amendment to Bond Purchase Agreement**”), to, among other things, extend the “Termination Date” set forth therein.

F. Borrower has requested that Lender modify certain terms of the Loan Documents. As a condition to Lender’s agreement to approve such request, Lender has required that, among other things, Borrower enter into this Amendment.

G. All capitalized terms used herein and not otherwise defined shall have the meanings set forth for them in the Bond Financing Agreement.

Agreement

Therefore, Borrower and Lender agree as follows:

1. Recitals. The recitals set forth above in the Factual Background are true, accurate and correct.
2. Reaffirmation of Loan Documents. Borrower reaffirms all of its obligations under the Loan Documents, as amended by this Amendment, and Borrower acknowledges that it has no claims, offsets or defenses with respect to the payment of sums now or hereafter payable under the Loan Documents.
3. Amendments to Bond Financing Agreement.

3.1 The definition of "Termination Date" in Section 1 of the Bond Financing Agreement is hereby amended to mean April 1, 2022.

3.2 The definitions of "LIBOR-Based Rate", "LIBOR Breakage Costs", "LIBOR Margin", "LIBOR Rate", "Money Markets", and "Reprice Date" set forth in Section 1 of the Bond Financing Agreement are hereby deleted in their entirety.

3.3 The definition of "Loan Rate" set forth in Section 1 of the Bond Financing Agreement is hereby amended and restated in its entirety to read as follows:

"**Loan Rate**" means, (i) prior to the Conversion Date, a rate of interest per annum equal to the sum of (a) the Term SOFR Rate, plus (b) the Term SOFR Margin, and, (i) from and after the Conversion Date, but subject to the terms of the Note, the First Reset Rate (as defined in the Note)."

3.4 The following new definitions are hereby added to Section 1 of the Bond Financing Agreement in the appropriate alphabetical order:

"**Benchmark**" has the meaning given to such term in the definition of "Term SOFR Rate".

"**Board**" means the Board of Governors of the Federal Reserve System."

"**Daily Simple SOFR**" means a daily rate based on SOFR and determined by Lender in accordance with the conventions for such rate selected by Lender."

"**Rate Adjustment Date**" means the first day of each month."

"**SOFR**" means the secured overnight financing rate which is published by the Board or any committees convened by the Board."

"**Term SOFR**" means a forward-looking term rate based on SOFR and recommended by the Board."

"**Term SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate)."

"**Term SOFR Administrator's Website**" means the website or any successor source for Term SOFR identified by CME Group Benchmark Administration Ltd. (or a successor administrator of Term SOFR)."

"**Term SOFR Margin**" means one hundred sixty-five (165) basis points."

“**Term SOFR Rate**” means the greater of (i) one-half of one percent (0.5%) and (ii) the one-month forward-looking term rate based on SOFR quoted by U.S. Bank from the Term SOFR Administrator’s Website (or other commercially available source providing such quotations as may be selected by Lender from time to time) which shall be that one-month Term SOFR rate in effect two New York Banking Days prior to the Rate Adjustment Date, adjusted for any reserve requirement and any subsequent costs arising from a change in government regulation, and reset monthly on each Rate Adjustment Date; provided that if the Term SOFR rate is not published on such New York Banking Day due to a holiday or other circumstance that Lender deems in its sole discretion to be temporary, the applicable Term SOFR rate shall be the Term SOFR rate last published prior to such New York Banking Day. If the initial advance under this Agreement occurs other than on a Rate Adjustment Date, the initial one-month Term SOFR rate shall be that one-month Term SOFR rate in effect two New York Banking Days prior to the later of (a) the immediately preceding Rate Adjustment Date and (b) the Closing Date, which rate plus the percentage described above shall be in effect until the next Rate Adjustment Date. If Lender has determined in its sole discretion that (i) the administrator of Term SOFR, or any relevant agency or authority for such administrator of Term SOFR (or any substitute index which replaces Term SOFR (Term SOFR or such replacement, the ‘**Benchmark**’)), has announced that such Benchmark will no longer be provided, (ii) any relevant agency or authority has announced that such Benchmark is no longer representative, or (iii) any similar circumstance exists such that such Benchmark has become permanently unavailable or ceased to exist, Lender will (x) replace such Benchmark with a replacement rate or (y) if any such circumstance applies to fewer than all tenors of such Benchmark used for determining an interest period hereunder, discontinue the availability of the affected interest periods. In the case of Term SOFR, such replacement rate will be Daily Simple SOFR. In the case of a replacement rate other than Term SOFR, Lender may add a spread adjustment selected by Lender, taking into consideration any selection or recommendation of a replacement rate by any relevant agency or authority, and evolving or prevailing market practice. In connection with the selection and implementation of any such replacement rate, Lender may make any technical, administrative or operational changes that Lender decides may be appropriate to reflect the adoption and implementation of such replacement rate. Without limitation of the foregoing, in the case of a transition to Daily Simple SOFR, Lender will remove any option to select another rate that may change or is reset on a daily basis, including, without limitation, Lender’s Prime Rate. Lender does not warrant or accept any responsibility for the administration or submission of, or any other matter related to, Term SOFR or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without limitation whether any such alternative or successor rate thereto, or replacement rate thereof, including without limitation whether any such alternative, successor or replacement rate will have the same value as, or be economically equivalent to, Term SOFR. Upon any transition from Term SOFR or another Benchmark to a replacement rate, either (1) the Borrower, at its own expense, will deliver to Lender an opinion of tax counsel acceptable to Lender that the replacement of Term SOFR or other Benchmark with a replacement rate does not adversely affect the exclusion of interest on the Loan from gross income of the owner of Lender; or (2) if no such opinion is delivered to Lender on the effective date of such replacement, the interest rate on the Loan (as determined without regard to this paragraph) shall be multiplied by the greater of (x) 100% and (y) 1/(1-MR) where MR is the highest marginal federal tax rate for corporations in effect. Lender’s internal records of applicable interest rates shall be determinative in the absence of manifest error.”

3.5 Sections 2.2(f) and 2.2(g) of the Bond Financing Agreement are hereby deleted in their entirety.

3.6 The Bond Financing Agreement is hereby amended to add the following new Sections 2.9 and 2.10:

“2.9 Second Option to Extend Termination Date. Upon written request given by Borrower to Lender not less than fifteen (15) days before April 1, 2022 (as used in this Section 2.9, the ‘**First Extended Termination Date**’), Borrower shall have the option to extend (the ‘**Second Option to Extend**’) the Termination Date from April 1, 2022 to July 1, 2022 (‘**Second Extended Termination Date**’), provided that as of the date Borrower delivers notice of its exercise of the Second Option to Extend, and as of the First Extended Termination Date:

- (a) No Event of Default and no other event or condition which, upon the giving of notice or the passage of time, or both, would become an Event of Default, shall have occurred and be continuing, as of the date of the request for extension or as of the extension of the Termination Date;
- (b) All Capital Contributions required to be made prior to the First Extended Termination Date under Exhibit E of this Agreement have been disbursed, and any outside date to pay off the Loan set forth in the Partnership Agreement shall be extended to a date not earlier than the Second Extended Termination Date;
- (c) The Loan is In Balance, as determined by the Lender, and Borrower shall have deposited into the Bank-Controlled Account any amount determined by Lender to be required for interest payments due through the Second Extended Termination Date;
- (d) Completion has occurred and within the Budget and Lender has received a current title report for the Property indicating that no mechanic's liens affect the Property;
- (e) Borrower shall have paid to Lender an extension fee in the amount of Nine Thousand One Hundred Ninety-Eight and No/100th Dollars (\$9,198), together with all other amounts due to Lender as of the First Extended Termination Date;
- (f) All representations and warranties made by the Borrower in this Agreement and the other Loan Documents shall be materially true and correct as if made on and as of the First Extended Termination Date (and Lender shall have received a certificate from Borrower to that effect);
- (g) There shall have been no Material Adverse Occurrence, as determined by Lender, in Lender's discretion;
- (h) Borrower and Guarantor shall have executed and delivered to Lender an amendment to the Note or this Agreement and such other documents as Lender may reasonably require in connection with such extension, all of which shall be in form and substance acceptable to Lender;
- (i) Borrower, at its sole cost and expense, shall have delivered to Lender an endorsement to (or reissuance of) the existing Title Policy, bringing current the effective date of the coverage, stating that the coverage afforded by the Title Policy shall not be affected because of the extension and insuring that there have been no additional liens or other additional exceptions to title against the Project from and after the date hereof, unless consented to in writing by Lender;
- (j) Borrower shall have provided to Lender projections, operating statements, current leasing reports and rent rolls as required by Lender, each certified by Borrower as being true, correct and complete, demonstrating that the funding of the Permanent Loan and the repayment in full of the Loan can be reasonably achieved prior to the Second Extended Termination Date, as determined by Lender, in its discretion;
- (k) Borrower shall have executed, acknowledged and delivered to Lender such amendments to the Loan Documents as Lender may reasonably require to reflect such extension of such Termination Date;
- (l) Lender shall have received evidence satisfactory to Lender that any outside date for the funding of the Permanent Loan has been extended to a date not earlier than the Second Extended Termination Date;

- (m) Borrower shall represent and warrant to Lender that the Subordinate Loans and all Subordinate Loan Documents are in full force and effect and there is no event or condition which, with the giving of notice or the passage of time or both, would constitute a material default by any party to any such document which could have a material adverse effect upon the Project, the Improvements, or the repayment of the Loan; or if there is any such event or condition, the same shall be fully disclosed to Lender and Lender shall have approved of the extension of the Termination Date despite the same, such approval to be granted or withheld in Lender's sole discretion;
- (n) Any outside Conversion Date or date to stabilize the Project set forth in either the Partnership Agreement or in any Subordinate Loan Document shall be extended to a date no earlier than the Second Extended Termination Date; and
- (o) Borrower shall have delivered to Lender all other documents, instruments, agreements, certificates, opinions of counsel, and title policy endorsements reasonably required by Lender in connection with such extension."

4. Bond Reissuance. On or before May 1, 2022 (the "**Outside Date**"), (a) Issuer shall have approved this Amendment and executed and delivered to Lender the Issuer's consent attached hereto, and (b) Bond Counsel (as defined in the Indenture) shall have issued to Lender an opinion (the "**Opinion**") confirming that the execution of this Amendment and the extension of the Termination Date does not adversely affect the tax-exempt nature of the Bonds, which Opinion shall be in form and substance approved by Lender and Permanent Lender. Borrower's failure to deliver the Issuer's consent and the Opinion on or before the Outside Date, as required by this Section 5, at Lender's election, shall constitute an immediate Event of Default under the Loan Documents.

5. Conforming Changes. Each reference in the Loan Documents to the "Bond Financing Agreement" shall, be deemed a reference to the Bond Financing Agreement as amended by this Amendment. This Amendment shall be considered a "**Loan Document**" under the Deed of Trust and the other Loan Documents.

6. Conditions Precedent. Before this Amendment becomes effective and Lender becomes obligated under it, all of the following conditions must be satisfied, at Borrower's sole cost and expense, and in a manner acceptable to Lender in the exercise of Lender's sole judgment, on or before March 11, 2022 (collectively, the "**Conditions Precedent**"):

6.1 Lender shall have received such assurance as Lender may require that the validity and priority of the Deed of Trust has not been and will not be impaired by this Amendment or the transactions contemplated by it, including the issuance of (a) a CLTA 110.5 (unmodified) endorsement, in form and substance satisfactory to Lender, insuring that (i) the terms and provisions of this Amendment shall not affect the priority of the Deed of Trust, to be attached to Title Policy CA-FBDO-IMP-27307-1-19-30014201 dated July 1, 2019, issued by Fidelity National Title Insurance Company (the "**Title Policy**") referencing the Deed of Trust, as assigned by the Assignment of Deed of Trust, as the insured mortgage and showing no additional exceptions superior to the Deed of Trust that were not shown as such on the Title Policy;

6.2 Lender shall have received reimbursement, in immediately available funds, for all costs and expenses incurred by Lender in connection with this Amendment, including charges for title insurance (including endorsements), fees for appraisal, and legal fees and expenses of Lender's counsel. Such costs and expenses may include the allocated costs for services of Lender's in-house staffs, such as legal, appraisal, construction services and environmental services. Borrower acknowledges that any extension fee payable in connection with this transaction does not include the amounts payable by Borrower under this subsection;

6.3 Davis Wright Tremaine LLP shall have received payment from Borrower for Lender's legal fees in connection with this Amendment in the amount of \$7,500.00;

6.4 Lender shall have received the extension fee payment from Borrower in the amount of \$9,198.

6.5 No Default or event or condition which, with the giving of notice or the passage of time, or both, would constitute a Default, shall have occurred and be continuing;

6.6 No material adverse change in the financial condition of Borrower, any General Partner or Guarantor shall have occurred since the date of the financial statements for each of those parties was delivered to Lender in connection with the execution of the Loan Documents;

6.7 Borrower shall have executed, acknowledged and delivered to Lender such amendments to the Loan Documents as Lender may reasonably require to reflect such modifications;

6.8 Borrower shall have delivered to Lender all other documents, instruments, agreements, certificates and opinions of counsel reasonably required by Lender;

6.9 Borrower shall have paid all applicable fees and expenses incurred by Issuer in connection with this Amendment, including the fees and expenses of the Issuer's bond counsel;

6.10 Each of General Partner, Guarantor, Investor, Permanent Lender, Bond Trustee and Issuer shall have executed and delivered to Lender the consents in the forms attached hereto, and Lender hereby directs Bond Trustee to execute and deliver such consent; and

6.11 Borrower shall have delivered to Lender evidence that any outside date for funding the Permanent Loan is a date not earlier than the Termination Date.

7. Borrower's Representations and Warranties. As of the date of this Amendment, Borrower represents and warrants to Lender as follows:

7.1 Loan Documents. All representations and warranties made and given by Borrower in the Loan Documents are true, accurate and correct.

7.2 No Default. No Default has occurred and is continuing, and no event has occurred and is continuing which, with notice or the passage of time or both, would be a Default.

7.3 Property. Borrower lawfully possesses and holds fee interest to all of the Property which is real property, the Deed of Trust is a prior lien on that property, subject only to the exceptions originally shown on Schedule B, Part I of the Title Policy. Borrower owns all of the Property which is personal property free and clear of any reservations of title and conditional sales contracts, and also of any security interests other than the Deed of Trust and any deed of trust originally shown on Schedule B, Part I of the Title Policy. There is no financing statement affecting any Property on file in any public office except for financing statements in favor of Lender and as otherwise permitted under the terms of the Loan Documents.

7.4 Borrowing Entity. Borrower is a limited partnership which is duly organized and validly existing under the laws of the State of California. Except as otherwise indicated herein, there have been no changes in the organization, composition, ownership structure or formation documents of Borrower since the recordation of the Deed of Trust.

7.5 General Partner. General Partner is the sole general partner of the Borrower. There have been no changes in the organization, composition, ownership structure or formation documents of General Partner since the recordation of the Deed of Trust.

8. Waiver of Special Damages. TO THE EXTENT PERMITTED BY APPLICABLE LAW, BORROWER SHALL NOT ASSERT, AND HEREBY WAIVES, ANY CLAIM AGAINST LENDER, ON ANY

THEORY OF LIABILITY, FOR SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES (AS OPPOSED TO DIRECT OR ACTUAL DAMAGES) ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF, THIS AMENDMENT OR ANY OTHER LOAN DOCUMENT, THE TRANSACTIONS CONTEMPLATED THEREBY, THE LOAN OR THE USE OF THE PROCEEDS THEREOF.”

9. Effective Date and Incorporation.

9.1 Notwithstanding the date of this Amendment or anything else to the contrary contained herein, the amendments described in Sections 3.2 through 3.5, inclusive, shall go into effect as of March 1, 2022.

9.2 This Amendment shall form a part of each Loan Document, and all references to a given Loan Document shall mean that document as hereby modified.

10. No Prejudice; Reservation of Rights. This Amendment shall not prejudice any rights or remedies of Lender under the Loan Documents. Lender reserves, without limitation, all rights which it has against any indemnitor, guarantor, or endorser of the Note.

11. No Impairment. Except as specifically hereby amended, the Loan Documents shall each remain unaffected by this Amendment and all such documents shall remain in full force and effect.

12. Purpose and Effect of Lender's Approval. Lender's approval of any matter in connection with the Loan shall be for the sole purpose of protecting Lender's security and rights. No such approval shall result in a waiver of any default of Borrower. In no event shall Lender's approval be a representation of any kind with regard to the matter being approved.

13. Disclosure to Title Company. Without notice to or the consent of Borrower, Lender may disclose to any title insurance company which insures any interest of Lender under the Deed of Trust (whether as primary insurer, coinsurer or reinsurer) any information, data or material in Lender's possession relating to Borrower, the Loan, the Improvements or the Property.

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14. Release: Borrower releases Lender and its respective parents, subsidiaries, affiliates and their respective agents, employees, directors, officers, shareholders and their successors and assigns (collectively, the "**Lender Parties**") from and against any and all acts, causes of action, suits, obligations, liabilities, demands, damages, cost or expense or other claims of Borrower of any nature whatsoever, sounding in tort, contract, equity or otherwise, known or unknown, fixed or contingent (collectively, the "**Liabilities**"), which arose or will arise on or before the effective date of this Amendment from or out of, or are based upon or in any way related to the Loan Documents, the Loan, the administration of the Loan, this Amendment, the negotiation of this Amendment or the Property, including but not limited, to any act, actions, payment obligations under the Loan Documents, or any representation, warranty, express or implied, made with respect thereto or thereunder.

Borrower waives any rights it may have under Section 1542 of the California Civil Code, which reads:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

Borrower understands that it may later discover facts in addition to or different from the facts it now believes to be true and that it may later discover claims it does not now suspect. The parties intend for this release to operate as a final and irrevocable release of all of Borrower's claims above described, and accordingly agree that this release may not be terminated or rescinded because of any later discovery by Borrower of different or additional facts or any unknown or unsuspected past claim.

Borrower represents and warrants that it has not heretofore assigned or transferred, or purported to assign or transfer, to any person or entity any matter released hereby or any portion thereof or interest therein and shall indemnify, defend and hold the Lender Parties harmless from and against any and all claims based on or arising out of any such assignment or transfer or purported assignment or transfer.

Borrower's Initials WET

15. Integration. The Loan Documents, including this Amendment: (a) integrate all the terms and conditions mentioned in or incidental to the Loan Documents; (b) supersede all oral negotiations and prior and other writings with respect to their subject matter; and (c) are intended by the parties as the final expression of the agreement with respect to the terms and conditions set forth in those documents and as the complete and exclusive statement of the terms agreed to by the parties. If there is any conflict between the terms, conditions and provisions of this Amendment and those of any other agreement or instrument, including any of the other Loan Documents, the terms, conditions and provisions of this Amendment shall prevail.

16. Miscellaneous. This Amendment and any attached consents or exhibits requiring signatures may be executed in counterparts, and all counterparts shall constitute but one and the same document. If any court of competent jurisdiction determines any provision of this Amendment or any of the other Loan Documents to be invalid, illegal or unenforceable, that portion shall be deemed severed from the rest, which shall remain in full force and effect as though the invalid, illegal or unenforceable portion had never been a part of the Loan Documents. This Amendment shall be governed by the laws of the State of California, without regard to the choice of law rules of that State. As used here, the word "include(s)" means "includes(s), without limitation," and the word "including" means "including, but not limited to."

[Signature Pages Follow]

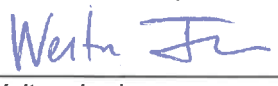
IN WITNESS WHEREOF, Borrower and Lender have executed this Amendment as of the date first set forth above.

BORROWER:

POINTE ON VERMONT, L.P.,
a California limited partnership

By: Pointe on Vermont EAH, LLC,
a California limited liability company,
its Managing General Partner

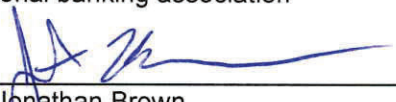
By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: 

Welton Jordan
Assistant Secretary

LENDER:

U.S. BANK NATIONAL ASSOCIATION,
a national banking association

By: 
Jonathan Brown
Assistant Vice President

GENERAL PARTNER'S CONSENT AND WAIVER


The undersigned general partner hereby consents to the terms, conditions and provisions of the foregoing Second Amendment to Loan Documents and the transactions contemplated by that agreement.

Dated: January 1, 2022

GENERAL PARTNER:

POINTE ON VERMONT EAH, LLC,
a California limited liability company

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: 

Welton Jordan
Assistant Secretary

GUARANTOR'S CONSENT

EAH Inc., a California nonprofit public benefit corporation ("**Guarantor**"), hereby consents to the terms, conditions and provisions of the foregoing Second Amendment to Loan Documents and the transactions contemplated by that agreement. Guarantor hereby reaffirms the full force and effectiveness of the Repayment and Completion Guaranty dated as of June 25, 2019, in favor of Lender (the "**Guaranty**") and the Environmental and ADA Indemnification Agreement dated as of June 25, 2019, executed by Borrower and Guarantor in favor of Lender (collectively, with the Guaranty, the "**Guarantor Documents**"). In addition, Guarantor acknowledges that its obligations under the Guarantor Documents are separate and distinct from those of the Borrower. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the foregoing Second Amendment to Loan Documents.

Dated: January 1, 2022

GUARANTOR:

EAH INC.,
a California nonprofit public benefit corporation

By: 

Welton Jordan
Assistant Secretary

INVESTOR'S CONSENT AND WAIVER

The undersigned Investor hereby consents to the terms, conditions and provisions of the foregoing Second Amendment to Loan Documents and the transactions contemplated by that agreement.

Dated: January 1, 2022

INVESTOR:

U.S. BANCORP COMMUNITY DEVELOPMENT CORPORATION,
a Minnesota corporation

By: _____



Lisa Flaherty
Assistant Vice President

PERMANENT LENDER'S CONSENT AND WAIVER

The undersigned Permanent Lender hereby consents to the terms, conditions and provisions of the foregoing Second Amendment to Loan Documents and the transactions contemplated by that agreement.

Dated: January 1, 2022

PERMANENT LENDER:

CALIFORNIA COMMUNITY REDEVELOPMENT CORPORATION,
a California nonprofit public benefit corporation

By: 
Maria A. Majczinger
Senior Vice President

BOND TRUSTEE'S CONSENT

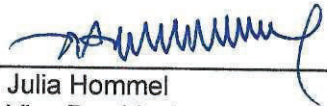
The undersigned, in its capacity as Bond Trustee and holder of a beneficial interest under the Loan Documents, hereby consents to the terms, conditions and provisions of the foregoing Second Amendment to Loan Documents and the transactions described therein.

Dated: January 1, 2022

BOND TRUSTEE:

U.S. BANK NATIONAL ASSOCIATION,
a national banking association

By: _____


Julia Hommel
Vice President

FIRST AMENDMENT TO LOAN DOCUMENTS

This FIRST AMENDMENT TO LOAN DOCUMENTS (this "**Amendment**") is made as of December 15, 2021 by POINTE ON VERMONT, L.P., a California limited partnership ("**Borrower**"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association, as "Bondowner Representative" under the Indenture described below ("**Lender**").

Factual Background

A. The City of Los Angeles, a charter city and municipal corporation in the State of California (the "**Issuer**"), issued its Multifamily Housing Revenue Bond (The Pointe on Vermont Apartments) Series 2019K (the "**Bond**") in the face principal amount of \$12,263,943 pursuant to that certain Indenture of Trust dated as of June 1, 2019 ("**Indenture**"), by and among Issuer, Lender and U.S. Bank National Association, a national banking association, as trustee (the "**Bond Trustee**"). Utilizing the proceeds of the sale of the Bond, Issuer made a bond loan to Borrower in the amount of \$12,263,943 (the "**Loan**"), pursuant to that certain Loan Agreement dated as of June 1, 2019, by and among Issuer, Lender and Borrower (the "**Loan Agreement**").

B. The Loan is evidenced by that certain Promissory Note dated as of June 25, 2019 (the "**Note**"), executed by Borrower for the benefit of Issuer, and is secured by, among other things, that certain Construction and Permanent Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of June 25, 2019 (the "**Deed of Trust**"), executed by Borrower for the benefit of Issuer, which recorded in the Official Records of the County of Los Angeles, State of California ("**Official Records**"), on July 1, 2019 as Instrument No. 20190631242. As security for its obligations under the Indenture, Issuer assigned its right, title and interest under the Note, the Deed of Trust and the other Loan Documents (except for certain "Reserved Rights" as defined in the Loan Agreement) to Bond Trustee pursuant to that certain Assignment of Deed of Trust and Related Documents dated as of June 25, 2019, executed by Issuer in favor of Bond Trustee, which was recorded in the Official Records on July 1, 2019 as Instrument No. 20190631243 (the "**Assignment of Deed of Trust**").

C. In connection with the Loan, Borrower and Lender entered into that certain Bond Financing Agreement dated as of June 25, 2019 (as amended, modified or supplemented from time to time, the "**Bond Financing Agreement**"). The Loan Agreement, the Bond Financing Agreement, the Note, the Deed of Trust, this Amendment and the other "Loan Documents" (as defined in the Bond Financing Agreement) are collectively referred to herein as the "**Loan Documents**".

D. In connection with the Loan, EAH INC., a California nonprofit public benefit corporation ("**Guarantor**"), executed that certain Repayment and Completion Guaranty dated as of June 25, 2019, in favor of Bond Trustee (the "**Guaranty**"), pursuant to which Guarantor guaranteed the payment and performance of the indebtedness and other obligations of Borrower under the Loan Documents.

E. Concurrently with the making of the Loan, Borrower, Lender and California Community Reinvestment Corporation, a California nonprofit public benefit corporation ("**Permanent Lender**"), entered into that certain Bond Purchase Agreement dated as of June 25, 2019 (as amended, from time to time, the "**Bond Purchase Agreement**"), pursuant to which Permanent Lender agreed to purchase a portion of the Bond, subject to the terms and conditions set forth therein.

F. Borrower has requested that Lender modify certain terms of the Loan Documents. As a condition to Lender's agreement to approve such request, Lender has required that, among other things, Borrower enter into this Amendment.

G. All capitalized terms used herein and not otherwise defined shall have the meanings set forth for them in the Bond Financing Agreement.

Agreement

Therefore, Borrower and Lender agree as follows:

1. Recitals. The recitals set forth above in the Factual Background are true, accurate and correct.
2. Reaffirmation of Loan Documents. Borrower reaffirms all of its obligations under the Loan Documents, as amended by this Amendment, and Borrower acknowledges that it has no claims, offsets or defenses with respect to the payment of sums now or hereafter payable under the Loan Documents.
3. Amendments to Bond Financing Agreement.

3.1 Termination Date. The definition of "Termination Date" is hereby amended to mean January 1, 2022.

4. Conforming Changes. Each reference in the Loan Documents to the "Bond Financing Agreement" shall, be deemed a reference to the Bond Financing Agreement as amended by this Amendment. This Amendment shall be considered a "**Loan Document**" under the Deed of Trust and the other Loan Documents.

5. Conditions Precedent. Before this Amendment becomes effective and Lender becomes obligated under it, all of the following conditions must be satisfied, at Borrower's sole cost and expense, and in a manner acceptable to Lender in the exercise of Lender's sole judgment, on or before December 23, 2021 (collectively, the "**Conditions Precedent**"):

5.1 Lender shall have received such assurance as Lender may require that the validity and priority of the Deed of Trust has not been and will not be impaired by this Amendment or the transactions contemplated by it, including the issuance of (a) a CLTA 110.5 (unmodified) endorsement, in form and substance satisfactory to Lender, insuring that (i) the terms and provisions of this Amendment shall not affect the priority of the Deed of Trust, to be attached to Title Policy CA-FBDO-IMP-27307-1-19-30014201 dated July 1, 2019, issued by Fidelity National Title Insurance Company (the "**Title Policy**") referencing the Deed of Trust, as assigned by the Assignment of Deed of Trust, as the insured mortgage and showing no additional exceptions superior to the Deed of Trust that were not shown as such on the Title Policy;

5.2 Lender shall have received reimbursement, in immediately available funds, for all costs and expenses incurred by Lender in connection with this Amendment, including charges for title insurance (including endorsements), fees for appraisal, and legal fees and expenses of Lender's counsel. Such costs and expenses may include the allocated costs for services of Lender's in-house staffs, such as legal, appraisal, construction services and environmental services. Borrower acknowledges that any extension fee payable in connection with this transaction does not include the amounts payable by Borrower under this subsection;

5.3 Intentionally Omitted;

5.4 No Default or event or condition which, with the giving of notice or the passage of time, or both, would constitute a Default, shall have occurred and be continuing;

5.5 No material adverse change in the financial condition of Borrower, any General Partner or Guarantor shall have occurred since the date of the financial statements for each of those parties was delivered to Lender in connection with the execution of the Loan Documents;

5.6 Borrower shall have executed, acknowledged and delivered to Lender such amendments to the Loan Documents as Lender may reasonably require to reflect such modifications;

5.7 Borrower shall have delivered to Lender all other documents, instruments, agreements, certificates and opinions of counsel reasonably required by Lender;

5.8 Borrower shall have paid all applicable fees and expenses incurred by Issuer in connection with this Amendment, including the fees and expenses of the Issuer's bond counsel;

5.9 Each of General Partner, Guarantor, Investor, Permanent Lender, Bond Trustee and Issuer shall have executed and delivered to Lender the consents in the forms attached hereto, and Lender hereby directs Bond Trustee to execute and deliver such consent;

5.10 Borrower shall have delivered to Lender evidence that any outside date for funding the Permanent Loan is a date not earlier than the Termination Date; and

5.11 Bond Counsel shall have issued an opinion that this amendment shall not affect the tax exempt nature of the Bond.

6. Borrower's Representations and Warranties. As of the date of this Amendment, Borrower represents and warrants to Lender as follows:

6.1 Loan Documents. All representations and warranties made and given by Borrower in the Loan Documents are true, accurate and correct.

6.2 No Default. No Default has occurred and is continuing, and no event has occurred and is continuing which, with notice or the passage of time or both, would be a Default.

6.3 Property. Borrower lawfully possesses and holds fee interest to all of the Property which is real property, the Deed of Trust is a prior lien on that property, subject only to the exceptions originally shown on Schedule B, Part I of the Title Policy. Borrower owns all of the Property which is personal property free and clear of any reservations of title and conditional sales contracts, and also of any security interests other than the Deed of Trust and any deed of trust originally shown on Schedule B, Part I of the Title Policy. There is no financing statement affecting any Property on file in any public office except for financing statements in favor of Lender and as otherwise permitted under the terms of the Loan Documents.

6.4 Borrowing Entity. Borrower is a limited partnership which is duly organized and validly existing under the laws of the State of California. Except as otherwise indicated herein, there have been no changes in the organization, composition, ownership structure or formation documents of Borrower since the recordation of the Deed of Trust.

6.5 General Partner. General Partner is the sole general partner of the Borrower. There have been no changes in the organization, composition, ownership structure or formation documents of General Partner since the recordation of the Deed of Trust.

7. Waiver of Special Damages. TO THE EXTENT PERMITTED BY APPLICABLE LAW, BORROWER SHALL NOT ASSERT, AND HEREBY WAIVES, ANY CLAIM AGAINST LENDER, ON ANY THEORY OF LIABILITY, FOR SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES (AS OPPOSED TO DIRECT OR ACTUAL DAMAGES) ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF, THIS AMENDMENT OR ANY OTHER LOAN DOCUMENT, THE TRANSACTIONS CONTEMPLATED THEREBY, THE LOAN OR THE USE OF THE PROCEEDS THEREOF."

8. Incorporation. This Amendment shall form a part of each Loan Document, and all references to a given Loan Document shall mean that document as hereby modified.

9. No Prejudice, Reservation of Rights. This Amendment shall not prejudice any rights or remedies of Lender under the Loan Documents. Lender reserves, without limitation, all rights which it has against any indemnitor, guarantor, or endorser of the Note.

10. No Impairment. Except as specifically hereby amended, the Loan Documents shall each remain unaffected by this Amendment and all such documents shall remain in full force and effect.

11. Purpose and Effect of Lender's Approval. Lender's approval of any matter in connection with the Loan shall be for the sole purpose of protecting Lender's security and rights. No such approval shall result in a waiver of any default of Borrower. In no event shall Lender's approval be a representation of any kind with regard to the matter being approved.

12. Disclosure to Title Company. Without notice to or the consent of Borrower, Lender may disclose to any title insurance company which insures any interest of Lender under the Deed of Trust (whether as primary insurer, coinsurer or reinsurer) any information, data or material in Lender's possession relating to Borrower, the Loan, the Improvements or the Property.

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13. Release: Borrower releases Lender and its respective parents, subsidiaries, affiliates and their respective agents, employees, directors, officers, shareholders and their successors and assigns (collectively, the "**Lender Parties**") from and against any and all acts, causes of action, suits, obligations, liabilities, demands, damages, cost or expense or other claims of Borrower of any nature whatsoever, sounding in tort, contract, equity or otherwise, known or unknown, fixed or contingent (collectively, the "**Liabilities**"), which arose or will arise on or before the effective date of this Amendment from or out of, or are based upon or in any way related to the Loan Documents, the Loan, the administration of the Loan, this Amendment, the negotiation of this Amendment or the Property, including but not limited, to any act, actions, payment obligations under the Loan Documents, or any representation, warranty, express or implied, made with respect thereto or thereunder.

Borrower waives any rights it may have under Section 1542 of the California Civil Code, which reads:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

Borrower understands that it may later discover facts in addition to or different from the facts it now believes to be true and that it may later discover claims it does not now suspect. The parties intend for this release to operate as a final and irrevocable release of all of Borrower's claims above described, and accordingly agree that this release may not be terminated or rescinded because of any later discovery by Borrower of different or additional facts or any unknown or unsuspected past claim.

Borrower represents and warrants that it has not heretofore assigned or transferred, or purported to assign or transfer, to any person or entity any matter released hereby or any portion thereof or interest therein and shall indemnify, defend and hold the Lender Parties harmless from and against any and all claims based on or arising out of any such assignment or transfer or purported assignment or transfer.

Borrower's Initials



14. Integration. The Loan Documents, including this Amendment: (a) integrate all the terms and conditions mentioned in or incidental to the Loan Documents; (b) supersede all oral negotiations and prior and other writings with respect to their subject matter; and (c) are intended by the parties as the final expression of the agreement with respect to the terms and conditions set forth in those documents and as the complete and exclusive statement of the terms agreed to by the parties. If there is any conflict between the terms, conditions and provisions of this Amendment and those of any other agreement or instrument, including any of the other Loan Documents, the terms, conditions and provisions of this Amendment shall prevail.

15. Miscellaneous. This Amendment and any attached consents or exhibits requiring signatures may be executed in counterparts, and all counterparts shall constitute but one and the same document. If any court of competent jurisdiction determines any provision of this Amendment or any of the other Loan Documents to be invalid, illegal or unenforceable, that portion shall be deemed severed from the rest, which shall remain in full force and effect as though the invalid, illegal or unenforceable portion had never been a part of the Loan Documents. This Amendment shall be governed by the laws of the State of California, without regard to the choice of law rules of that State. As used here, the word "include(s)" means "includes(s), without limitation," and the word "including" means "including, but not limited to."

[Signature Pages Follow]


IN WITNESS WHEREOF, Borrower and Lender have executed this Amendment as of the date first set forth above.

BORROWER:

POINTE ON VERMONT, L.P.,
a California limited partnership

By: Pointe on Vermont EAH, LLC,
a California limited liability company,
its Managing General Partner

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: 
[Name] Nelson Jark
[Title] Assistant Secretary

LENDER:

U.S. BANK NATIONAL ASSOCIATION,
a national banking association

By: _____

[Name]

[Title]

Jonathan Brown
Assistant Vice President

GENERAL PARTNER'S CONSENT AND WAIVER

The undersigned general partner hereby consents to the terms, conditions and provisions of the foregoing First Amendment to Loan Documents and the transactions contemplated by that agreement.

Dated: December 15, 2021

GENERAL PARTNER:

POINTE ON VERMONT EAH, LLC,
a California limited liability company

By: EAH Inc.,
a California nonprofit public benefit corporation,
its Sole and Managing Member

By: Mark J.
[Name] Mark J. Jach
[Title] Assistant Secy

GUARANTOR'S CONSENT

EAH Inc., a California nonprofit public benefit corporation ("**Guarantor**"), hereby consents to the terms, conditions and provisions of the foregoing First Amendment to Loan Documents and the transactions contemplated by that agreement. Guarantor hereby reaffirms the full force and effectiveness of the Repayment and Completion Guaranty dated as of June 25, 2019, in favor of Lender (the "**Guaranty**") and the Environmental and ADA Indemnification Agreement dated as of June 25, 2019, executed by Borrower and Guarantor in favor of Lender (collectively, with the Guaranty, the "**Guarantor Documents**"). In addition, Guarantor acknowledges that its obligations under the Guarantor Documents are separate and distinct from those of the Borrower. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the foregoing First Amendment to Loan Documents.

Dated: December 15, 2021

GUARANTOR:

EAH INC.,
a California nonprofit public benefit corporation

By: Walter J. J. J.
[Name] Walter J. J. J.
[Title] Assistant Secretary

INVESTOR'S CONSENT AND WAIVER

The undersigned Investor hereby consents to the terms, conditions and provisions of the foregoing First Amendment to Loan Documents and the transactions contemplated by that agreement.

Dated: December 15, 2021

INVESTOR:

U.S. BANCORP COMMUNITY DEVELOPMENT CORPORATION,
a Minnesota corporation

By: _____

[Name]

[Title]

Lisa Flaherty
Lisa Flaherty
AVP


PERMANENT LENDER'S CONSENT AND WAIVER

The undersigned Permanent Lender hereby consents to the terms, conditions and provisions of the foregoing First Amendment to Loan Documents and the transactions contemplated by that agreement.

Dated: December 15, 2021

PERMANENT LENDER:

CALIFORNIA COMMUNITY REDEVELOPMENT CORPORATION,
a California nonprofit public benefit corporation

By: 
Maria A. Majczing
Senior Vice President

BOND TRUSTEE'S CONSENT

The undersigned, in its capacity as Bond Trustee and holder of a beneficial interest under the Loan Documents, hereby consents to the terms, conditions and provisions of the foregoing First Amendment to Loan Documents and the transactions described therein.

Dated: December 15, 2021

BOND TRUSTEE:

U.S. BANK NATIONAL ASSOCIATION,
a national banking association

By: 

Julia Hommel
Vice President

ISSUER'S CONSENT

The undersigned, in its capacity as issuer under the Loan Documents, hereby consents to the terms, conditions and provisions of the foregoing First Amendment to Loan Documents and the transactions described therein.

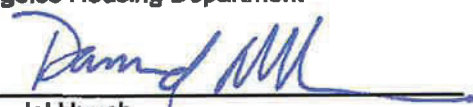
Dated: December 15, 2021

ISSUER:

CITY OF LOS ANGELES

By: Los Angeles Housing Department

By:


Daniel Huynh
Assistant General Manager