

EXHIBIT A

AUTHORITY, PURPOSE AND SCOPE OF WORK

1. Authority

The State of California has established the Veterans Housing and Homelessness Prevention Program (the "Program") pursuant to the Veterans Housing and Homeless Prevention Act of 2014 (the "Act"), which is set forth in Article 3.2 (commencing with Section 987.001) of Chapter 6 of Division 4 of the Military and Veterans Code, all as amended and in effect from time to time. The Act relies on and references provisions of the Veterans Housing and Homeless Prevention Bond Act of 2014 (the "VHHP Bond Act"), which is set forth in Article 5y (commencing with Section 998.540) of Chapter 6 of Division 4 of the Military and Veterans Code. Both the Act and the VHHP Bond Act were enacted pursuant to Statutes 2013, chapter 727, sections 1 and 3 (A.B. 639).

Pursuant to Military and Veterans Code section 987.005, the Department has adopted the Veterans Housing and Homelessness Prevention Program Round 5 Final Guidelines (the "Guidelines"). This STD 213, Standard Agreement (the "Agreement") is entered under the authority and in furtherance of the Program.

This Agreement is the result of the Sponsor's application (the "Application") for funding under the Program (the "Loan"). This Agreement hereby incorporates by reference the Application and the Project Report in their entirety. This Agreement is governed by the following requirements (collectively, the "Program Requirements"):

- A. The statutory schemes outlined above.
- B. The Guidelines dated November 8, 2019 as amended May 3, 2021, and as may be subsequently amended.
- C. Any provisions of the Uniform Multifamily Regulations (Cal. Code Regs., tit. 25, § 8300 et seq.) (the "UMRs"), which the Guidelines incorporate by reference.
- D. Any Multifamily Housing Program ("MHP") regulations (Cal. Code Regs., tit. 25, § 7300 et seq.), which the Guidelines incorporate by reference.
- E. The Notice of Funding Availability (the "NOFA"), dated May 3, 2021.
- F. The Award Letter issued by the Department to the Sponsor and
- G. Any and all other applicable law.

EXHIBIT A

2. Purpose

Sponsor applied to the State of California for the Loan in order to acquire, construct, rehabilitate, and/or preserve an Affordable Rental Housing Development, as defined in paragraph 3.A. below, for veterans and their families. The Affordable Rental Housing Development will be developed on certain real property (the "Property"), as described in the Application and the Project Report. The Department will make the Loan to the Sponsor, or to the Sponsor's Department-approved affiliate (the "Borrower," as further defined below), as owner of the Affordable Rental Housing Development. The Department will require that the Affordable Rental Housing Development be developed, owned, rented, managed, maintained, and operated in accordance with the Program Requirements for the full term of the Loan, regardless of sale or transfer of the Property or prepayment of the Loan. Accordingly, if the Borrower is a different legal entity than the Sponsor identified in the Application and approved by the Department, then the Department will require the Sponsor to execute a Sponsor Operating Agreement as a condition of closing the Loan.

By entering into this Agreement and thereby accepting the award of Program Loan funds, the Sponsor agrees to comply with the Program Requirements and the terms and conditions of this Agreement.

3. Definitions

Capitalized terms herein shall have the definitions set forth in the Guidelines. In addition:

- A. "Affordable Rental Housing Development" or "Development" refers to the rental housing development which is described in the Application and the Project Report, which is identified in the Award Letter, and which meets the definition of "affordable rental housing," "supportive housing," and/or "transitional housing" in Military and Veterans Code section 987.003. The Affordable Housing Development shall meet all Program Requirements and is subject to this Agreement.
- B. "Agreement" refers to this Standard Agreement
- C. "Borrower," or "Ultimate Borrower," refers to the borrowing entity and owner of the Development, as identified in Exhibit E under provision Ex. A-E.1. The Sponsor, or its wholly controlled affiliate, shall have continuing control of the Borrower. The Borrower's organizational structure shall comply with paragraph 15.C. of Exhibit D of this Agreement.

EXHIBIT A

- D. "Sponsor" or "Development Sponsor" shall mean the legal entity or combination of legal entities that meets the definition of "Housing sponsor" set forth in Health and Safety Code section 50074 and the definition of "Sponsor" set forth in UMR Section 8301(s). "Sponsor" also includes any affiliate or assignee of the Sponsor approved by the Department and undertaking all the obligations of the Sponsor hereunder (e.g., the Borrower). In the case of joint applicants, "Sponsor" shall refer to each applicant or the approved assignee of such applicant. Each joint applicant shall be jointly and severally liable for all obligations of a Sponsor as set forth herein.
- E. "Department" or "HCD" refers to the Department of Housing and Community Development.
- F. "Guidelines" refers to the Veterans Housing and Homelessness Prevention Program Round 5 Final Guidelines, dated November 8, 2019 as amended May 3, 2021, and as may be subsequently amended.
- G. "Project Report" refers to the HCD staff report presented to and approved by the Department's Internal Loan Committee. The Project Report memorializes the project specifications that were approved by the Department at the time of the award of Program Loan funds. Those project specifications may be amended only with and upon the Department's prior written approval.
- H. "Performance Milestones" refers to the development schedule and/or milestones proposed by the Sponsor in its Application.
- I. "Program" refers to the Veterans Housing and Homelessness Prevention (VHHP) Program.
- J. "TCAC" refers to the California Tax Credit Allocation Committee.

Any reference to a specific "Section" or "section" of the Guidelines shall initially refer to that specific numbered section of the Guidelines dated November 8, 2019 as amended May 3, 2021. If the Department amends any portion of the Guidelines, all references herein to any such portion of the Guidelines shall be deemed to refer to the updated version of the Guidelines, either in whole or in part, as may be applicable. To the extent that any Guidelines provision is amended, and thereafter receives a new Guidelines section number, any reference herein to the old Guidelines section number shall be interpreted to refer instead to the Guidelines section, as amended.

EXHIBIT A

4. **Scope of Work**

The "Scope of Work" or "Work" for this Agreement shall consist of the development and construction of the Affordable Rental Housing Development which is described in the Application and the Project Report, and which is identified in the Award Letter. Sponsor shall cause the Affordable Rental Housing Development to be developed and constructed in full accordance with this Agreement and the Program Requirements.

All written materials that are submitted as addenda to the original Application and the Project Report, and that are approved in writing by a Division of Financial Assistance Manager or higher-ranking Departmental official, as appropriate, are hereby incorporated into and deemed to be part of the Application and Project Report for purposes of this Agreement.

The Scope of Work may in no event be revised or altered without the Department's prior written consent and approval, and such consent and approval is within the Department's sole and absolute discretion. The Department reserves the right, but assumes no obligation, to review and approve any and all the Work.

5. **Evidence of Point Generating Activities**

Sponsor assures the Department that the completed Affordable Rental Housing Development will include all the features, components, and activities that were proposed in the Application, awarded points during the Application scoring process, and memorialized in the Project Report.

At the request of the Department, Sponsor shall demonstrate, to the Department's satisfaction in its sole and absolute discretion, that the Affordable Housing Development will or does include all of the features, components, and activities, as referenced above, that provided the basis for the Program Loan award. Failure to provide such evidence and otherwise make such a demonstration to the Department may result in a reevaluation of the Application and the reduction or cancellation of the award, the repayment of any disbursed Program funds, and/or the disencumbrance of Program funds awarded.

6. **Performance Milestones**

Sponsor shall complete each of the Performance Milestones set forth in the Project Report by the date designated for such completion therein (each a "Milestone Completion Date"). Sponsor may apply to the Department for an extension of any such Milestone Completion Date. Approval of any such extension request shall be in the Department's sole and absolute discretion. In no event will the Department approve an extension

EXHIBIT A

request in the absence of Sponsor's demonstration of good cause for said extension, along with Sponsor's reasonable assurances that the extension will not result in the Sponsor's failure to meet other Performance Milestones.

7. **Reporting Requirements**

Sponsor shall comply with all reporting requirements set forth in the Guidelines or applicable law, including, without limitation, each and all of those reporting requirements set forth in Section 117 of the Guidelines, all if, as, and to the fullest extent applicable to the Development.

8. **State Coordinator**

The coordinator of this Agreement for the state is the Program Manager for the VHHP Program, Department of Housing and Community Development, Division of Financial Assistance. Any notice, report, or other communication required by this Agreement shall be mailed by First-Class Mail to the State Program Manager at the address specified in Exhibit E under provision Ex. A. – E.2.

9. **Sponsor Contract Coordinator**

The Sponsor Contract Coordinator for this Agreement may coordinate with the Program Section Chief (or the Chief's designee) for the VHHP Program, Department of Housing and Community Development, Division of Financial Assistance. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be mailed by First-Class Mail to the Sponsor Contract Coordinator at the address specified in Exhibit E under provision Ex A- E.3.