

EXHIBIT A**AUTHORITY, PURPOSE AND SCOPE OF WORK****1. Authority**

The State of California has established the Multifamily Housing Program ("Program" or "MHP") pursuant to Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code, all as amended and in effect from time to time. Pursuant to Health and Safety Code section 50675.11, the state has issued the Multifamily Housing Program Final Guidelines (the "MHP 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. Chapter 6.7 of Part 2 of Division 31 of the Health and Safety Code;
- B. The MHP Guidelines, dated June 19, 2019, all as amended and in effect from time to time;
- C. Any provisions of the Uniform Multifamily Regulations (Cal. Code Regs., tit. 25, § 8300 et seq.) (the "UMRs"), which the MHP Guidelines incorporate by reference;
- D. The Notice of Funding Availability (the "NOFA"), dated July 23, 2021;
- E. The Award Letter issued by the Department to the Sponsor; and,
- F. Any and all other applicable law.

2. Purpose

Sponsor applied to the State of California for the Loan in order to develop, construct, and/or rehabilitate an Affordable Housing Development, as defined in paragraph 3.A. below. The Affordable 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 owner of the Development. The Department will require that the Affordable 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.

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To further effect this purpose, if Sponsor or Borrower is an entity other than the Sponsor identified in the Application, the Department will require the Sponsor to enter into a sponsor operating agreement (the "Sponsor Operating Guaranty") 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. As noted above, this Agreement incorporates by reference the Application and the Project Report in their entirety.

3. Definitions

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

- A. "Affordable Housing Development" or "Development" refers to the transitional or rental housing development which was described in the Application and which provides units that are affordable to lower income households. The Affordable Housing Development must meet all Program Requirements and is in consideration of the MHP Loan.
- 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. The Sponsor, or its wholly controlled affiliate, shall have continuing control of the Borrower. The organizational structure of the Borrower must comply with UMR Section 8313.2.
- D. "Sponsor" or "Development Sponsor" refers to the entity or entities that made the Application to the Department for the Award for the Affordable Housing Development (the "Development") and identified as "Contractor" on page one to this Agreement (STD 213).

"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.

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- F. "Project Report" refers to the staff report presented to and approved by the Department's Internal Loan Committee. The Project Report sets forth the project criteria approved by the Department at the time of the award of Program Loan funds. The project criteria may be amended only upon the Department's written approval.
- G. "Performance Milestones" refers to the development schedule and/or milestones proposed by the Sponsor in its Application and set forth in the Project Report.
- H. "Program" refers to the Multifamily Housing Program (MHP).
- I. "Residual Receipts" refers to the 50 percent (50%) share of cash or other benefits which, pursuant to UMR Section 8314, is available to the Department on an annual basis as payment on the MHP Program Loan. The Department may agree to share the Residual Receipts with other public agency lenders. Only public agency lenders can receive Residual Receipts.
- J. "TCAC" refers to the California Tax Credit Allocation Committee.
- K. Any reference to a specific "Section" or "section" of the MHP Guidelines shall initially refer to that specific numbered section of the MHP Guidelines adopted on and dated June 19, 2019. If the Department amends any portion of the MHP Guidelines, all references herein to any such portion of the MHP Guidelines shall be deemed to refer to the updated version of the MHP Guidelines, either in whole or in part, as may be applicable. To the extent that any MHP Guidelines provision is amended, and thereafter receives a new section number, any reference herein to the old MHP Guidelines section number shall be interpreted to refer instead to the MHP Guidelines section as amended.

4. Scope of Work

The "Scope of Work" or "Work" for this Agreement shall consist of the development and construction of the Development identified in the Award Letter. Sponsor shall cause the Development to be developed and constructed in full accordance with this Agreement and the Program Requirements. Any reference in this Agreement to "construction" shall include rehabilitation construction, if applicable.

All written materials or alterations submitted as addenda to the original Application and which are approved in writing by a Division of Financial Assistance Program Manager or higher departmental official, as appropriate, are hereby incorporated as part of the Application and hereby incorporated as part of the Agreement.

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

5. Evidence of Point Generating Activities

Based on the points awarded to its Application, Sponsor assures the Department of the existence or planned aspects of all point generating activities as detailed in the Project Report.

At the request of the Department, Sponsor shall provide further and additional evidence sufficient to demonstrate the existence and/or completion of the items for which the Sponsor's Application received points. Failure to provide such evidence to the reasonable satisfaction of the Department may result in a reevaluation of the Application and the reduction or cancellation of the award, require repayments of any disbursed Program funds, and result in the disencumbrance of Program funds awarded.

6. Performance Milestones

Sponsor shall inform the Department of any anticipated delays, or changes to the Sponsor's proposed Performance Milestones as set forth in the Project Report no later than the date designated for such completion therein (each a "Milestone Completion Date"). Sponsor may submit a written request for extension of any such Milestone Completion Date. Any such request shall include Sponsor's demonstration of good cause and reasonable assurances that the extension will not adversely affect completion of the project. Approval of any such extension request shall be in the Department's sole discretion; however, such approval shall not be unreasonably withheld.

7. State Coordinator

The coordinator of this Agreement for the state is the Program Manager for the Multifamily Housing Program, Division of State Financial Assistance. Any notice, report, or other communication required by this Agreement shall be mailed by first-class mail to the Program Manager at the following address:

Department of Housing and Community Development
Division of State Financial Assistance – PDI
P.O. Box 952054
Sacramento, California 94252-2054

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8. Sponsor's Contract Coordinator

The Sponsor's Contract Coordinator for this Agreement is listed below. Unless the Department is otherwise informed, any notice, report, or other communication required by this Agreement will be mailed by first-class mail to the Sponsor's Contract Coordinator at the following address:

Sponsor:	Insert Contact Info Here
Authorized Representative Name and Title:	Insert Contact Info Here
Address:	Insert Contact Info Here
Phone No.:	Insert Contact Info Here
Email Address:	Insert Contact Info Here