EXHIBIT E

PROJECT-SPECIFIC PROVISIONS AND SPECIAL TERMS AND CONDITIONS

Gap Financing

[HCD Gap Financing sub-header is only added if the Project is a gap financing Project, otherwise, delete]

INSTRUCTIONS: HCD will add and delete yellow text as driven by the facts of this Project. Text is marked green for the purpose of differentiating selection options or Boilerplate text from the nearby instructions in the yellow fields.

1. PROJECT-SPECIFIC PROVISIONS

Project Name:
Address:
Assessor Parcel Numbers (APNs):

[Repeat as needed for Scattered sites]

A. Award, Payee and Eligible Use(s)

The Department issued the Grantee a Program **Conditional Award Letter** dated [**Date**]. The **Award** is a grant in the amount of $[_____.00]. The Payee of these funds is [Full legal name of the Eligible Applicant]. Grantee will use the funds to provide Permanent Supportive Housing for the Target Population and subpopulations in the Assisted Units as specified in the unit mix chart included herein. Specifically, the Grantee will apply these funds towards the following Eligible Use(s): [Delete according to the facts of the Project]

1) [Example: Acquisition and Rehabilitation, acquisition, or Rehabilitation [Select one of the prior 3] of a hotel or motel [or delete and enter what type of prior building use] to provide Permanent Supportive Housing for the Target Population].

2) [Example: Master lease of a property to provide Permanent Supportive Housing for the Target Population].

3) [Example: Capitalized operating subsidy for the Assisted Units]

4) [Example: Relocation costs for individuals who are being displaced as a result of the Project. This amount represents one-half of the relocation cost

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per unit. The Grantee is responsible for paying the balance of any and all relocation costs necessitated by the Project].

5) [Example: New construction of Units to provide Permanent Supportive Housing for the Target Population].

B. **The Homekey+ Award is comprised of:**

Total Award	$0,000,000.00
Capital Award	$
Acquisition	$
Rehabilitation & Development	$
Master Leasing	$
New Construction	$
Affordability Covenants	$
Relocation Award	$
Operating Award	$
Veteran Units Additional Operating Award	**$**

C. **Unit Mix [see next page]**

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1) **Table 1: Homekey+ Unit Mix** [To be completed by HCD from the Awarded Application]

Number of Bedrooms	Number of Homekey + Funded Units	AMI% or Manager's Unit ["30%" for Homekey, "Manager Unit", or other AMI "X%" from Application Unit Mix]	Homekey+ Population ["Veteran with a Behavioral Health Challenge", or "Homekey + General Population"]	Restriction to Subset of Homekey+ Population All foregoing subpopulations must include Behavioral Health Challenge ["Chronically Homeless", "Homeless", "At-Risk of Homelessness", "Homeless Youth", "Youth At-Risk of Homelessness" *Enter below and delete this highlighted text after completion]*
0 Bedroom				
1 Bedroom				
2 Bedroom				
3 Bedroom				
4 Bedroom				
Veterans Units Total				
Homekey+ General Population Total				
Youth Units Total				
Manager Units Total				

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Total Homekey+ Units		
Non-Homekey+ Units- See Table 2		

2) **Table 2: Non-Homekey+ Unit Mix:** [To be completed by HCD from the Application. ONLY IF the unit mix has non-Homekey+ units, otherwise put "Non-Applicable" & delete. Previously-funded Homekey Units from other Rounds go here.]

Non-Homekey+ Units Number of Bedrooms [Delete this table if there are NO Non-HK Units]	**Number of Non-Homekey+ Units**	**Non-Homekey+ AMI % or Manager's Unit ["XX%" for AMI or "Manager"]**	**Funding Program Name [Add HCD before Name if HCD, use acronym if prior Homekey restricted unit, write Homekey Round 1, 2, or 3]**	**Restriction to Subset of Population**
0 Bedroom/ Studio				
1 Bedroom				
2 Bedroom				
3 Bedroom				
4 Bedroom				
Non-Homekey+ Units Total				
PROJECT GRAND TOTAL:				

Unit Mix Notes: [HCD to enter relevant details about Manager Unit or other nuances in the

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Homekey+ or Non-Homekey+ Units. If there are no notes, put "None" and delete highlighted text once done.]

Referrals to Assisted Units shall be made through the local Coordinated Entry System (CES), or another comparable prioritization system based on greatest need for housing and services, to determine the most appropriate referral. Grantees must demonstrate efforts to coordinate with their local county behavioral health department, to ensure the referral process to the Assisted Units is aligned with the Program Requirements.

Assisted Units should be reserved for serving the Target Population where households are more appropriately served by Permanent Supportive Housing, including referrals from persons exiting encampments. Households with lower levels of need may be better served by other housing and less intense service interventions.

2. PROJECT DETAILS

A. Project Narrative:

[HCD will provide a lean description of the Project including if it is a gap financing, Preservation [if Preservation- detail previous HCD Awards, Contract Number, Award Date and Scope], or a Previously-funded Homekey Project [If Prior Homekey mention which round and whether it is Interim to Perm or Perm adding Homekey+ Units], and project type (acquisition rehab, new construction modular or stick built, etc.) gap financing projects should list the existing HCD funding source include whether Homekey initially funded an Interim Housing Project to be converted with Homekey+ to PSH. Describe the property physical layout (# of buildings, stories, or unique historic uses) that is not duplicative from what is already in this SA. Briefly describe any physical features, services, or amenities that are unique to this Project such as pet friendly, or interesting community spaces such as a meeting room, a community room, or a communal kitchen. Describe other amenities that will be supplied, such as free high speed internet service, manager and/or residential service offices, proximity to public transit, and other essential services, etc.]

B. Units Serving Veterans:

This Project received funding for [Enter # of Veterans units] Veterans Assisted Units. Grantee shall abide by all additional representations in the Application that qualified the Grantee for funding for Veterans Assisted Units.

The Project received a Veterans Units Additional Operating Award of $30,000.00

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per unit for [Enter # of units] Units, totaling $[Enter Veteran Units Additional Operating Award amount as $000,000.00]. This funding is awarded for qualifying Operating Award expenses as defined in Exhibit A, and must be expended no later than ten (10) [For Eligible Projects: Change ten (10) to fifteen (15) or twenty (20) years if HCD committed funding requires 15- or 20-year cash flow and HCD approved the change. Check with Manager] years from initial occupancy.

[HCD will delete the entire Section above if the project does not include any Veteran-serving units]

C. **Units Serving Homeless Youth or Youth at Risk of Homelessness:**

This Project received funding from the Youth Assisted Unit allocation for [Enter # of units]. The Grantee shall have jointly applied and/or partnered with a nonprofit corporation with experience serving the foregoing subpopulation; and the Project shall provide Supportive Services for Youth Assisted Units using a Positive Youth Development (PYD) model and trauma-informed care.

Grantee shall abide by all additional representations in the Application that qualified the Grantee for funding for Youth Assisted Units [HCD will delete this paragraph if the Project does not include any Youth-serving units]

3. SCOPE OF WORK

A. **Acquisition, Construction and/or Rehabilitation Detail:**

[HCD to include a clear description of the development work to be performed based on the Applicant's submitted Development Plan; identifying the construction activities, rehabilitation activities, and site modifications to be completed.]

B. **Supportive Services and Staffing Detail:**

Grantee shall assure that the Case Manager ratio(s) for this Project will be maintained at [HCD to INSERT ratio from the Application SSP Tab] for the [INSERT Population] for [INSERT number of units]. [Add different ratios, unit counts, and populations or sub-populations as necessary from Application]. [HCD to CHOSE ONE: Grantee will manage the Project OR coordinate with third-party property manager [INSERT NAME IF IDENTIFIED].
[CHOSE ONE: Grantee will [be Lead Service Provider on the Project] or [coordinate with a third-party service provider [INSERT NAME IF IDENTIFIED]] to act as Lead Service Provider. Services include those required in NOFA Section 302 (i.) (a.) (1-

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24). [Delete or edit next sentence according to whether the LSP and/or PM name was identified at time of application.] If Lead Service Provider or Property Manager not selected at time of Application or changes at any point, Grantee must ensure that they meet the experience requirements of NOFA Section 302 (i.)(c.).

C. **Grantee Contract Coordinator(s):**

Authorized Representative Name:	
Authorized Representative Title:	
Entity Name:	
Address:	
Telephone No.:	
E-Mail Address:	

[HCD will replicate table, as appropriate, for additional co-applicants. Ensure the entire table is on one page per each applicant, do not cut off information.]

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4. CONDITIONS PRECEDENT TO FIRST DISBURSEMENT [HCD to enter conditions prior to first disbursement here]

A. **General Disbursement Conditions:**

1) [If not subordinating HK+ delete 2) below and keep this paragraph]All liens, Deeds of Trust, financing sources and encumbrances must be recorded in a junior position to the Homekey+ Affordability Covenant or be formally subordinated to Homekey+ prior to disbursement, unless approved by the Department.

2) [If subordinating HK+ delete 1) above and keep this paragraph]The Homekey+ Use Restriction recorded against the property shall be expressly subordinate or record in junior lien position to the [Enter name of item HK is subordinating to]. All other Program requirements shall apply.

3) [If encumbrances need to be removed from title keep, otherwise delete this paragraph]Encumbrances Removed from Title at the Time of Closing: Homekey+ funds will be used to acquire the property by the Grantee(s). The following encumbrances, liens, or other items identified in the Preliminary Title Report will be paid off and/or removed by the Seller(s) through escrow as part of the purchase transaction:

   a. [Insert item numbers and descriptions from title report]

4) [Enter any pre-disbursement conditions from the Project report, such as environmental reports]

5. BUDGET DETAIL

A. **Development Sources:** Grantee represented to the Department the following commitments for the development and construction of the Homekey+ Project:

[Delete these instructions once complete: Include the Homekey+ capital award. Also list each government, philanthropic, and private funding source by its full legal name, the terms of the source (for example if a loan) and the amount committed. For gap funded projects, include the HCD Program Name, APN, contract number and funded eligible activity (e.g.) Acquisition, Construction, etc. under the HCD Program's prior award.] [see list below for formatting guidance and delete template text once completed. Discuss how to enter more complex funding sources with your manager. Obtain dollar figures for the funding sources from the Enforceable Funding Commitments (EFC) and cross-reference the cash flow for funding years and terms]

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1) Homekey+ Conditional Award Letter dated XXX for a funding commitment of $00.00 for [Specify: acquisition, construction, rehabilitation, Capitalized Operating Subsidy Reserve (COSR), relocation, etc. Please break out the $00.00 relocation amount from the capital amount if there is an award for relocation and include the total of relocation plus capital at the end]

2) Construction Source Example: [Full name of funding entity] letter dated Month XX, 20XX, for $00.00 of [name funding program source being used] funding to acquire and rehabilitate the property for the construction period.

3) Existing HCD Commitment: Existing HCD Commitment: [Name of Program, Standard Agreement Contract number, award letter date, award letter amount.]

B. **Operating Sources:** Grantee shall maintain the ongoing affordability of the Project by leveraging the following sources for Operating Expenses: [HCD to include the Homekey+ operating award. HCD to list each government, philanthropic, and private funding source by its full legal name, the terms of the source (for example if a loan) and the amount committed Delete this instruction after complete.]

1) Homekey+ Conditional Award Letter dated XXX for a funding commitment of $00.00 for operating. [Delete item 1 if there is no HK+ Operating Award.]

2) Committed Permanent Source Example: [Full name of funding entity] letter dated Month XX, 20XX, committing an [operating, rental subsidy, reserves, debt services, supportive services, Capitalized Operating Subsidy Reserve (COSR) etc.] subsidy of $0.00 per year for Project years XX through XX, for a total funding commitment of $00.00 provided by the [name of funding program source being used].

3) Intent to Pursue Permanent Source Example: [Full name of funding entity] letter dated Month XX, 20XX, committing an intent to pursue $00.00 for Project years XX through XX in [operating, rental subsidy, reserves, supportive services, etc.] funding by applying to and/or utilizing the [name of funding program(s) source(s) or bond measure(s) being pursued].

4) Existing HCD Commitment: [Name of Program, Standard Agreement Contract number, Award Letter Date, Award letter amount.][If applicable, place prior Homekey Awards here].

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C. **Master Lease:** Grantee shall abide by its obligation and 15-year plan from the recordation of the Affordability Covenant to cover the Project operations and service costs. Grantee shall satisfy this obligation by leveraging the following funding sources:

[HCD to list each government, philanthropic, and private funding source by its full legal name]. [HCD to delete this Master Lease term if it is not applicable to this Project.]

6. PERFORMANCE MILESTONES

[HCD to add, customize, or delete rows as required by the facts of this Project contract and the date on the signed award letter. Milestones are determined using the date calculator here. Please delete this instruction before routing this Exhibit E.]

Performance Milestones	Milestone Completion Date
Expenditure Deadline for Capital Award. [Link to Date Calculator, use the date on the award letter. If the date falls on a weekend, use the next business day. Delete this instruction after completing this table]	Month DD, YYYY, which includes 60 days from the date of the Conditional Award Letter/California Debt Limit Allocation Committee ("**CDLAC**")/Tax Credit Allocation Committee ("**CTCAC**") award [delete if no extensions granted] and an XX [enter any Department approved extensions] day/month extension approved by the Department. [If property is an acquisition or rehabilitation project, then insert the date which is 60 days and fifteen months from the date of the Award letter] [If property is a new construction project, then insert the date which is 60 days and 27 months from the date of the Award letter]

Performance Milestones	Milestone Completion Date

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[Select one and edit into sentence: Gap Financing; New Construction] Project must initiate construction. [Or: Interim to Permanent Gap Financing] Project must initiate conversion.	Month DD, YYYY, which includes 60 days from the date of the Conditional Award Letter/CDLAC/CTCAC award [delete if no extensions granted] and an XX [enter any Department approved extensions] day/month extension approved by the Department. [Insert date which is 60 days and 6 months from the date on the Award letter]
Complete construction of the [select one and edit into sentence: New Construction, Rehabilitation] Project must be achieved.	Month DD, YYYY, which includes 60 days from the date of the Conditional Award Letter/CDLAC/CTCAC award [delete if no extensions granted] and an XX [enter any Department approved extensions] day/month extension approved by the Department. [For New Construction and Gap Financing]: Insert date which is 60 days and 24 months from the date on the Award letter] [For Rehabilitation: Insert date which is 60 days and 12 months from the date on the Award letter]

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Full occupancy by the Target Population must be accomplished in accordance with the descriptions and representations set forth in the Application.	Month DD, YYYY, which includes 60 days from the date of the Conditional Award Letter/CDLAC/CTCAC award [delete if no extensions granted] and an XX [enter any Department approved extensions] day/month extension approved by the Department. [If Project has Rehabilitation, then insert the date which is 60 days and 15 months from the date of the Award letter] [If New Construction Project, then insert the date which is 60 days and 27 months from the date of the Award letter] [If Acquisition only Project, obtain the acquisition date from the development plan, then add the date which is 60 days and 6 months from the date of the Award letter] [If HCD has approved an extension for Veteran-serving projects with more than 50% Veterans Units or for large projects (over 75 units) then insert that date here]

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Performance Milestones	Milestone Completion Date
[Delete entire row if the Applicant does NOT have any federal funding provided in their sources, note, you may copy/paste milestones from Full occupancy edits above]: NEPA Authorization to Use Grant Funds (AUGF) must be submitted upon construction completion.	Month DD, YYYY, which includes 60 days from the date of the Conditional Award Letter/CDLAC/CTCAC award [delete if no extensions granted] and an XX [enter any Department approved extensions] day/month extension approved by the Department. [If Project has Rehabilitation, then insert the date which is 60 days and 12 months from the date of the Award letter] [If New Construction Project, then insert the date which is 60 days and 24 months from the date of the Award letter] [If Acquisition only Project, obtain the acquisition date from the development plan, then add the date which is 60 days and 6 months from the date of the Award letter]
Grantee must have an approved Supportive Services plan by full occupancy.	Month DD, YYYY [Insert milestone that matches full occupancy]
A copy of Grantee's written nondiscrimination policy (in accordance with Exhibit D of this Agreement) must be submitted to the Department.	Month DD, YYYY, which includes 60 days from the date of the Conditional Award Letter/CDLAC/CTCAC award. [Insert date which is 60 days and 8 months from date of Award]
A copy of the Notice of Exemption from the California Environmental Quality Act (CEQA) filed with the Office of Planning and Research (OPR) as applicable.	Month DD, YYYY, which includes 60 days from the date of the Conditional Award Letter/CDLAC/CTCAC award. [Insert date which is 60 days and 8 months from date of Award]

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Performance Milestones	Milestone Completion Date
Expenditure Deadline for Operating Award. Note: The deposit of the Homekey+ Award for Operating Expenses into the COSR does not count as expended.	Month DD, YYYY, which is [10, 15, or 20] years from the date of full occupancy, [delete if no extensions granted] which includes a XX [5 or 10 added to the original ten-year requirement] year extension approved by the Department. [For Eligible Projects: Change 10 to 15 or 20 years if HCD committed funding requires 15- or 20-year cash flow and HCD approved the change, check with Manager. For XX, include the length of the approved extension [5 or 10 years], if applicable]
A Homekey+ Program Report must be submitted to the Department as specified and described in the NOFA.	March 31 – Each year for five (5) years following the Effective Date of this Agreement. The annual report is required for at least five years following full occupancy of the Project and until the Homekey+ operating funds are fully expended.
A Homekey+ Expenditure Report must be submitted to the Department.	July 31 – Each year until the full Homekey+ Award has been fully expended.

7. TERMS AND CONDITIONS

The following Special Terms and Conditions are applicable to this Project and shall control notwithstanding anything to the contrary herein:

A. **Affordability Covenant:**

[INSTRUCTIONS: This Section is for Projects that are NOT Tribal or NOT Master Lease. HCD will delete this specific **"Affordability Covenant"** paragraph if it a Tribal or Master Lease Project If this paragraph does apply to this Project, HCD will delete the three foregoing "Master Lease" and "Affordability Covenant-Tribal" Sections below.]

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1) The Eligible Applicant shall ensure that the Project is duly encumbered with a 55-year Affordability Covenant that **(a)** is recorded against the Project for the benefit of the Eligible Applicant; **(b)** restricts the use, operation, occupancy, and affordability of the Project in accordance with this Agreement and the Program Requirements; **(c)** duly names the Department as a third-party beneficiary with the right and privilege, but not the obligation, of enforcement thereof; **(d)** incorporates the Program Requirements by reference and **(e)** is otherwise in form and substance acceptable to the Department.

2) The Affordability Covenant must be recorded against the real property of the Project site prior to the disbursement of funds as specified in Exhibit B. The Grantee shall obtain the Department's express written approval of the Affordability Covenant prior to the recordation of the same. After recordation, the Grantee shall promptly provide the Department with a conformed copy of the recorded Affordability Covenant and a title report to confirm lien priority.

3) The first disbursement of Homekey+ Capital Award funds must be wired to an Escrow Company in accordance with the Wire Instructions described in Exhibit B, Section 2(A) of this Agreement The Affordability Covenant must be on file and approved by the Department to be included in the escrow transaction for recordation.

4) The Affordability Covenant must be recorded as a lien against the Project and must remain in the position approved by the Department in this Agreement. Any changes to encumbrances, covenants, or other matters of record on the real property for the period of affordability required by the Program must be approved by the Department.

5) [If HK is not subordinating to other restrictions, remove this paragraph]The Homekey+ Use Restriction recorded against the property shall be expressly subordinate or record in junior lien position to the [Enter name of item HK is subordinating to]. All other Program requirements shall apply.

B. **Affordability Covenant – Tribal Trust Land:**

[HCD will put Non-Applicable this section if the Project is NOT a Tribal Project, if it is a Tribal Project, then HCD will delete the "Affordability Covenant" Section above, as well as the "Master Lease" and "Affordability Covenant-Master Lease" Sections below.]

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1) The Project is duly encumbered with a 50-year Affordability Covenant that **(a)** is recorded against the Project for the benefit of the tribal Grantee; **(b)** restricts the use, operation, occupancy, and affordability of the Project in accordance with this Agreement and the applicable Program Requirements; **(c)** duly names the Department as a third-party beneficiary with the right and privilege, but not the obligation, of enforcement thereof; **(d)** incorporates the Homekey+ Program Requirements by reference, and **(e)** is otherwise in form and substance acceptable to the Department.

2) The Affordability Covenant must be recorded against the real property of the Project site. The Affordability Covenant shall be recorded against the estate in land (fee estate or leasehold estate) as indicated by the site control specified in the Project's Homekey+ Application and no changes shall be considered or permitted. Any permitted recordation of the Affordability Covenant against a leasehold estate shall comply with UMR section 8316. The Grantee shall obtain the Department's express written approval of the Affordability Covenant prior to the recordation of the same. After recordation, the Grantee shall promptly provide the Department with a conformed copy of the recorded Affordability Covenant and a title report to confirm lien priority.

3) The Affordability Covenant must be recorded as a lien against the Project and must remain in the position approved by the Department in this Agreement. Any changes to encumbrances, covenants, or other matters of record on the real property for the period of affordability required by the Program must be approved by the Department.

C. **Master Lease:**

[Payee] shall apply the funds towards a lump sum pre- payment of all lease payment obligations for the Project calculated over the Project's full Homekey+ term of affordability and reduced to net present value (NPV). [Please delete this paragraph if the Project is not a master lease.]

D. **Affordability Covenant- Master Lease:**

[HCD will determine if Project is a master lease use, if it is, HCD will keep the above paragraph "Master Lease" and this section and delete the "Affordability Covenant" and "Tribal" Sections above the Master Lease Sections.]

1) The Eligible Applicant shall ensure that the Project is duly encumbered with

EXHIBIT E

a 55-year Affordability Covenant that **(a)** is recorded against Project real property for the benefit of the Eligible Applicant; **(b)** imposes use, operation, occupancy, and affordability restrictions on the real property and improvements; and **(c)** duly names the Department as a third-party beneficiary with the right and privilege, but not the obligation, of enforcement thereof, (d) incorporates the Program Requirements by reference, and (e) is otherwise in form and substance acceptable to the Department.

2) The Affordability Covenant must be recorded against the real property of the Project site prior to the disbursement of funds. The Grantee shall obtain the Department's express written approval of the Affordability Covenant prior to the recordation of the same. After recordation, the Grantee shall promptly provide the Department with a conformed copy of the recorded Affordability Covenant and a title report to confirm lien priority.

3) The first disbursement of Capital Award funds must be wired to an escrow company in accordance with the Wire Instructions described in section 2(A) of Exhibit B to this Agreement. The Affordability Covenant must be on file and approved by the Department to be included in the escrow transaction for recordation.

4) The Affordability Covenant must be recorded as a lien against the Project and must remain in the position approved by the Department in this Agreement. Any changes to encumbrances, covenants, or other matters of record on the real property for the period of affordability required by the Program must be approved by the Department.

8. PROJECT-SPECIFIC TERMS AND CONDITIONS [Conditions prior to disbursement should go into Section 4 not here, delete this instruction once complete.]

A. **Application Scoring Terms and Conditions:**

Grantee garnered points at the Application stage by making the commitments and representations described below. The Project must include all of the following, unless the Department agrees to a modification in writing, signed by both the Department and the Grantee:

1) [HCD will include this paragraph if Grantee scored at least 10 points on Scoring for this NOFA Section] Grantee Application was prioritized for

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receiving at least 10 points per NOFA Section 305, Application Scoring Criteria, (3)(a), for sustained operating leverage evidenced by Project rental or operating subsidies.

Grantee has committed to non-Homekey+ rental or operating subsidies (including funded services) to maintain the ongoing affordability and sustainability of Project operations that are outlined in Section 5 Budget Detail. Any budget modifications must be submitted to the Department for approval and must address how the Project affordability and sustainability will be maintained.

2) Grantee received 10 points by committing to Mental Health Services Act or Behavioral Health Services Act funds as evidenced by a letter as per NOFA Section 305, Application Scoring Criteria, (3)(c). [HCD will delete this paragraph if Grantee **did not** score 10 points Scoring for this NOFA Section]

3) Grantee received 10 points for committing that at least 25 percent of the Assisted Units in the Project are two-bedroom or larger units as per NOFA Section 305, Application Scoring Criteria (5)(a). [HCD may delete this paragraph, as required by the facts of this Project]

4) Grantee has committed to a 55-year use restriction for the Project and has waived any potential accommodation by the Department to increase income limits, as per NOFA Section 305, Application Scoring Criteria, (5.)(b.), for [at least 25 percent of the Assisted Units] [or] [at least 50 percent of the Assisted Units] [or] [at least 75 percent of the Assisted Units] [or] [100 percent of the Assisted Units]. HCD may delete this paragraph, or any portion of this paragraph, as required by the scoring awarded to this NOFA Section.].

5) Grantee has committed to the following accessibility details for the Project, as per NOFA Section 305, Application Scoring Criteria, (5)(c), the Project will exceed the state and federal accessibility requirements set forth in the NOFA. [At least 15 percent of the Project's Assisted Units must have features accessible to persons with mobility disabilities [or] [and] at least 10 percent of the Project's units must have features accessible to persons with hearing or vision disabilities. [HCD will delete this paragraph, or any portion of this paragraph, as determined by the points awarded in this NOFA Section.]

6) Grantee has committed to provide high speed internet service, as per

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NOFA Section 305, Application Scoring Criteria, (6.)(g.), with a minimum average speed of 25 megabits/second must be made available to each Unit for a minimum of 15 years, free of charge to the tenants, and available within six months of the Project's placed-in-service date. [HCD will delete this paragraph if the Applicant did not receive any score in the threshold and scoring checklist for high-speed internet service.]

7) Grantee received [XX] points for providing evidence of site control with [fee title, leasehold, option agreement/sales contract, exclusive negotiation agreement, letter of intent, or other forms approved by HCD]. [The title is held by entity, or the title will be transferred to XXX].

B. **New Construction Cost Containment Terms and Conditions:**

[HCD will delete this section if this is NOT a new construction cost containment Project (NOFA Section 501).]

Grantee commits to a Total Development Cost of $XXX,XXX per unit [HCD will insert total development cost per unit from Project Report and Application Development Budget total cost.].

C. **Gap Financing Project Terms and Conditions:**

[HCD will delete if this section if this is not a gap-funded Project, edit otherwise as needed with your manager.]

D. **Tribal Project Terms and Conditions:**

[For Tribal Projects: If the Project is subject to AB 1010, HCD will indicate that here, and describe any waivers and modifications of the Program Requirements, or delete this text otherwise.]

E. **Supportive Services Plan Terms and Conditions:**

The Department may request necessary updates to the Supportive Services plan or related documents, including fully executed written agreements. All updates must be approved prior to occupancy as determined by the milestone listed in this Agreement.

[HCD will delete this paragraph if the SSP was approved by the time of SA routing to

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LAD]

F. **Environmental Terms and Conditions:**

[HCD will delete if there are NO environmental report conditions to add or if the condition was cleared prior to routing to LAD, conditions prior to disbursement should go into Section 4 not here].

G. **Site Control Terms and Conditions:**

1) HCD to edit example as necessary and delete instructions when done, and must include this term in every Agreement copy: Grantee demonstrated site control by providing evidence of [Select: fee title or leasehold interest or development agreement or sales contract or letter of intent or other (describe).] at the time of Application.

   a. [If Grantee already owns the site use this, otherwise delete]Site control is currently held by [enter Grantees name and who holds fee title interest].

   b. [If it is an acquisition use this, otherwise delete]Grantee demonstrated site control by providing [Select: development agreement or evidence of fully executed purchase or sales contract] dated [Enter date] between [Enter grantee/buyers name] (buyer) and [Enter sellers name] (seller) for the acquisition of the property at the time of Application.

2) [Add other site control terms and conditions here or delete if none.]

H. **Miscellaneous Terms and Conditions:**

[HDC may enter special terms or conditions here from the Project Report that are NOT satisfied and documented by the time of SA Routing to LAD. If no special conditions apply, this will be removed. Do not include special condition that are due prior to disbursement here, these are entered in section 4 Additional Conditions Precedent to Disbursement above.] HCD to edit example language as needed: Prior to [insert milestone such as disbursement, or number of days before a milestone such as standard agreement, or occupancy, etc.] Grantee shall [HCD to insert requirement and required documentation to satisfy the condition. Add unique conditions for Prior HK and Preservation new HERE.]

9. PROJECT DEVELOPMENT BUDGET:

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Please see the next page for the development sources and uses budget from the Application that was approved by the Department's Awards Committee.

Budget detail included for the purpose of showing the Homekey+ Award details, including Project reserves and developer fee. Other budget sources and uses will not be monitored by the Department.

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Homekey Approved Development Sources & Uses Budget (SAMPLE ONLY- HCD to Copy/Paste actual Project Budget S&U Tab Columns A through I below from the Application. Sources names must be complete and deferred developer fee columns may be deleted if they are not a source of income.)

Residential Sources and Uses Budget

USES OF FUNDS	Total Cost from Dev Budget	Homekey+ Grant	Insert Source Name	Insert Source Name	Insert Source Name	Insert if Deferred Developer Fee, Fee Contribution, GP Equity,	Developer Fee Contribution
LAND COST/ACQUISITION							
Land Cost or Value	$422,307	$422,307					
Demolition	$0						
Legal	$0						
Land Lease Rent Prepayment	$0						
Total Land Cost or Value	$422,307	$422,307	$0	$0	$0	$0	$0
Existing Improvements Cost or Value							
Off-Site Improvements							
Total Acquisition Cost							
Total Land Cost / Acquisition Cost							
Predevelopment Interest/Holding Cost							
Assumed, Accrued Interest on Existing Debt (Rehab/Acq)							
Excess Purchase Price Over Appraisal							
REHABILITATION							
Site Work							
Structures							
General Requirements							
Contractor Overhead							
Contractor Profit							

EXHIBIT E

Residential Sources and Uses Budget

USES OF FUNDS	Total Cost from Dev Budget	Homekey+ Grant	Insert Source Name	Insert Source Name	Insert Source Name	Insert if Deferred Developer Fee, Fee Contribution, GP Equity,	Developer Fee Contribution
Prevailing Wages							
General Liability Insurance							
Urban Greening							
Labor Compliance							
Construction Monitor							
Site Security							
Total Rehabilitation Costs							
Total Relocation Expenses							
NEW CONSTRUCTION							
Site Work							
Structures							
General Requirements							
Contractor Overhead							
Contractor Profit							
Prevailing Wages							
General Liability Insurance							
Urban Greening							
Other New Construction (Specify)							
Total New Construction Costs							

EXHIBIT E

Residential Sources and Uses Budget

USES OF FUNDS	Total Cost from Dev Budget	Homekey+ Grant	Insert Source Name	Insert Source Name	Insert Source Name	Insert if Deferred Developer Fee, Fee Contribution, GP Equity,	Developer Fee Contribution
ARCHITECTURAL FEES							
Design							
Supervision							
Total Architectural Costs							
Total Survey & Engineering							
CONSTRUCTION INTEREST & FEES							
Construction Loan Interest							
Origination Fee							
Credit Enhancement/Application Fee							
Bond Premium							
Cost of Issuance							
Title & Recording							
Taxes							
Insurance							
Employment Reporting							
Other Construction Int. & Fees (Specify)							
Total Construction Interest & Fees							
PERMANENT FINANCING							
Loan Origination Fee							
Credit Enhancement/Application Fee							
Title & Recording							
Taxes							
Insurance							
Other Perm. Financing Costs (Specify)							
Other Perm. Financing Costs (Specify)							
Total Permanent Financing Costs							
Subtotals Forward							
LEGAL FEES							
Legal Paid by Applicant							
Managing General Partner Legal							
Other Attorney Costs (Specify)							
Other Attorney Costs (Specify)							
Total Attorney Costs							

EXHIBIT E

Residential Sources and Uses Budget

USES OF FUNDS	Total Cost from Dev Budget	Homekey+ Grant	Insert Source Name	Insert Source Name	Insert Source Name	Insert if Deferred Developer Fee, Fee Contribution, GP Equity,	Developer Fee Contribution
RESERVES							
Operating Reserve							
Replacement Reserve							
Transition Reserve Pool Fee							
Rent Reserve							
Project Funded Capitalized Operating Subsidy Reserve							
Debt Service (including all HCD 0.42% Fees and Bond Issuer Fee)							
Other Reserve Costs (Specify)							
Total Reserve Costs							
CONTINGENCY COSTS							
Construction Hard Cost Contingency							
Soft Cost Contingency							
Total Contingency Costs							
OTHER PROJECT COSTS							
TCAC App/Allocation/Monitoring Fees							
Environmental Audit							
Local Development Impact Fees							
Permit Processing Fees							
Capital Fees							
Marketing							
Furnishings							
Market Study							
Accounting/Reimbursable							
Appraisal Costs							
Broadband Readiness							
Pre-Stabilization Payroll							
Utilities							
Other Costs (Specify)							
Total Other Costs							
SUBTOTAL PROJECT COST							

EXHIBIT E

Residential Sources and Uses Budget

USES OF FUNDS	Total Cost from Dev Budget	Homekey+ Grant	Insert Source Name	Insert Source Name	Insert Source Name	Insert if Deferred Developer Fee, Fee Contribution, GP Equity,	Developer Fee Contribution
SUBTOTAL PROJECT COST							
DEVELOPER COSTS							
Developer Overhead/Profit							
Consultant/Processing Agent							
Project Administration							
Broker Fees Paid to a Related Party							
Construction Oversight by Developer							
Managing General Partner Compliance							
Total Developer Costs							
TOTAL PROJECT COST							
TOTAL PROJECT COSTS							

Explain unusual or extraordinary circumstances that have resulted in higher than expected Project costs; provide a justification as to why these costs are reaso