KIMBERLY GASAWAY, Director

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January 7, 2026

Honorable Board of Supervisors
County of Alameda
1221 Oak Street, Suite 536
Oakland, California 94612-4305

SUBJECT: ADOPT A RESOLUTION APPROVING A TERM SHEET FOR A LEASE DISPOSITION AND DEVELOPMENT AGREEMENT, GROUND LEASE, REGULATORY AGREEMENT, LOAN AGREEMENTS, AND A CAPITALIZED OPERATING SUBSIDY AGREEMENT WITH JKL BUILDING A HOUSING PARTNERS, LP FOR THE LEASE AND DEVELOPMENT OF THE BROADWAY PROJECT LOCATED AT 430 BROADWAY, OAKLAND (APN 001-0139-001), DELEGATING AUTHORITY TO THE GENERAL SERVICES AGENCY DIRECTOR TO NEGOTIATE FINAL TERMS AND EXECUTE ALL AGREEMENTS, AND DELEGATING AUTHORITY TO THE DIRECTORS OF THE GENERAL SERVICES AGENCY, COMMUNITY DEVELOPMENT AGENCY, AND ALAMEDA COUNTY HEALTH TO ADMINISTER THE AGREEMENTS PURSUANT TO A MEMORANDUM OF UNDERSTANDING; APPROVE THE USE OF $18,730,000 IN MEASURE W APPROPRIATIONS; ADOPT A RESOLUTION FINDING THAT THE APPROVAL OF A LEASE DISPOSITION AND DEVELOPMENT AGREEMENT AND GROUND LEASE FOR THE LEASE AND DEVELOPMENT OF 430 BROADWAY IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; ADOPT A RESOLUTION APPROVING THE USE OF $12,600,000 IN MEASURE A1 AFFORDABLE HOUSING BOND FUND INTEREST EARNINGS TO SUPPORT CONSTRUCTION OF AFFORDABLE HOUSING AT 430 BROADWAY, OAKLAND

Dear Board Members:

RECOMMENDATIONS:

A. Adopt a Resolution approving a term sheet for a Lease Disposition and Development Agreement (“LDDA”), Ground Lease (“Ground Lease”), regulatory agreement (“Regulatory Agreement”) and $18,730,000 in Measure W funding in the form of loan agreements for preconstruction, demolition and construction (“Loan Agreements”), and an agreement for a capitalized operating subsidy (“Capitalized Operating Subsidy”) (together, “Agreements”) for the 430 Broadway Project located at 430 Broadway, Oakland (APN 001-0139-001) with JKL Building A Housing Partners, LP, a limited partnership whose general partners are affiliates of The Related Companies of California, LLC (Principal: Ann Silverberg; Location: San Francisco) and East Bay Asian Local Development Corporation (Principal: Janelle Chan; Location: Oakland), and delegating authority to the Director of General Services to negotiate final terms of the Agreements in accordance with the term sheet, and execute the Agreements upon review and approval by County Counsel; and further delegating authority to the Directors of the General Services Agency, Community Development Agency, and Alameda County Health to implement the Agreements pursuant to a memorandum of understanding to be developed among them;

B. Adopt a Resolution finding that the approval of a Lease Disposition and Development Agreement for the Ground Lease of 430 Broadway is exempt from the California Environmental Quality Act pursuant to Government Code Section 65913.4 and with respect to the Class 32 exemption pursuant to the CEQA Guidelines Section 15332;

C. Authorize the Director of the General Services Agency, or her designee, to execute the California Environmental Quality Act Notice of Exemption and record it with the County of Alameda Clerk-Recorder's Office;

D. Adopt a Resolution approving the commitment and use of an amount not to exceed $12,600,000 in Measure A1 Affordable Housing Bond fund interest earnings to support the construction of affordable housing at 430 Broadway, to be expended pursuant to the Measure A1 Rental Housing Development Fund Implementation Policies adopted 11/7/2017;

E. Approve funding amounts from Measure W Essential Services Fund of $7,350,000 and Home Together Fund of $11,380,000 for a total not to exceed $18,730,000 in Measure W funds, including a twenty-year capitalized permanent supportive housing operating subsidy of $4,730,000, to support demolition, predevelopment, construction and operation of the 430 Broadway Affordable Housing Project (Building A); and

F. Authorize the Auditor-Controller to make the related budgetary adjustments.

DISCUSSION/SUMMARY:

On September 28, 2021, your Board approved (Item No. 61.1; File No 30679) a resolution declaring the properties at 401 and 430 Broadway, Oakland (County Broadway Properties) as "exempt surplus lands", approved an Exclusive Negotiating Agreement (ENA) with a two-year term with Related Companies of California/East Bay Asian Local Development Corporation (Related/EBALDC) for lease and development of the County Broadway Properties, and authorized the Community Development Agency (CDA) Director to execute all necessary documents to effectuate the terms of the ENA.

On August 1, 2023, your Board approved (Item No. 78.1; File No. 31057) adding the Director of the General Services Agency (GSA), or her designee, to the existing negotiation team for continued coordination between the County and Related/EBALDC.

On February 21, 2024, the County Administrator and Related/EBALDC signed Amendment No. 1 to the ENA extending the term from September 29, 2023, to September 28, 2024, as per the authorizations in the ENA.

On October 22, 2024, your Board approved Amendment No. 2 (Item No. 35; File No. 31336), retroactively extending the term of the ENA from September 29, 2024, through September 28, 2025, due to ongoing negotiations.

On September 23, 2025, your Board approved Amendment No. 3 (Item No. 54) extending the negotiation period of the ENA through September 28, 2026, to allow for finalization of the Lease Disposition and Development Agreement (LDDA) and associated Ground Leases for Board consideration.

Following approval of ENA Amendment No. 3, negotiations for the LDDA for 430 Broadway as described in the Term Sheet (Attachment 1) were finalized, which includes a long-term Ground Lease providing site control to Related/EBALDC for demolition, financing, and phased redevelopment. The term of the ground lease commences on the LDDA execution effective date, with a term of 99 years, including rent of $1 per year.

The LDDA calls for the development on the 430 Broadway property of a total of approximately 192 units of housing (189 affordable units and three unrestricted manager units) to be built in three phases each consisting of a single building.

The first phase of the 430 Broadway development will include demolition of all existing buildings on the property and construction of one 66 unit building to include 65 units of affordable housing and one unrestricted manager units, with an overlay that includes 17 Permanent Supportive Housing (PSH) units (Building A), at a total project cost of $62 million.

The funding for the demolition is formalized in the Predevelopment Loan Agreement and related documents and includes initial payments for bonds and insurance and then monthly progress payments based on performance.

The Developer is required to secure all remaining third-party financing for Building A prior to County disbursement of construction funding which is structured as a residual receipts loan with simple interest at a rate to be determined by the Housing Director and a 55-year term. Each phase will proceed upon satisfaction of LDDA milestones, including entitlement, financing commitments, and environmental clearance. On November 18, 2025 the Developer received a conditional commitment letter from the City of Oakland confirming the authorization of a development loan in the amount of $15M for the construction of the 430 Broadway Building A.

The LDDA obligates the Developer to secure all land use entitlements and permits, perform demolition following Ground Lease execution, and deliver the agreed community benefits including local hire and apprenticeship goals. The development aligns with the Home Together Plan to include Permanent Supportive Housing, and the City of Oakland's Downtown Specific Plan for equitable, transit-oriented growth.

The 430 Broadway requirements in the LDDA consist of the following minimum affordability requirements.

- 20% of the units are to be affordable at 50% of Area Median Income (AMI), 20% are to be affordable at 60% of AMI and the remaining are to be affordable at 80% of AMI.
- Managers' Units – Three (3) Units (one unit per building) are to be available for designation as the managers' units and are not income or rent restricted by the County.

Building A requires higher affordability requirements as noted below to meet the Measure A1 funding requirements:

- 13 of the units are to be affordable at 20% of AMI;
- 52 units are to be affordable to households ranging between 30% up to 60% AMI;
- One manager's unit will not be income or rent restricted; and
- A minimum of 17 of the units shall be designated as permanent supportive housing (PSH) units and available for occupancy by persons at risk of homelessness.

These requested actions collectively authorize use of Measure A1 Affordable Housing Bond interest earnings and Measure W revenues to fund the 430 Broadway Building A Affordable Housing Project. Since its initial authorization, the Measure A1 (MA1) General Obligation Bond was fully issued in 2019 and 2021, providing the entire $580 million in funding. The Measure A1 commitment is made available from accrued interest from unspent bond funds and is intended to provide construction financing consistent with the 2016 voter-approved Affordable Housing Bond. Previously adopted Measure A1 programs and policies do not address the use of accrued interest from bond proceeds. Allocation of these funds to a County sponsored rental housing program is consistent with the purpose of the bond measure. The project is required to conform to the Board-adopted Rental Housing Development Fund Implementation Policies.

The Measure W commitment implements the Board's November 18, 2025, appropriations for Fiscal Year 2025-26 and includes Essential Services and Home Together Fund allocations to support demolition, predevelopment and construction of Building A with a capitalized operating subsidy for permanent supportive housing units.

Consistent with Measure A1 implementation requirements and per the Terms of the Ground Lease as described in the Term Sheet (Attachment 1), the projects will pay prevailing wage, be subject to a Project Labor Agreement, and will require good faith efforts for outreach to Alameda County based and small/local business and employment of disadvantaged residents. Under the terms of the Building A Construction Loan Agreement, construction of Building A will require full compliance with Measure A1 implementation policies for construction.

The Developer estimates demolition completion in early 2027 which includes obtaining required permits, abatement and demolition following LDDA and Ground Lease execution. Commencement of construction of Building A will occur no later than three years from the effective date of the LDDA or up to five years from the effective date (assuming two one-year optional extensions approval by the County). Commencement of construction of the second building will occur no later than up to eight years from the effective date of the LDDA. Commencement of construction of the third building will occur no later than ten years (up to eleven years assuming extension approval) from the effective date of the LDDA.

The LDDA, Ground Lease and other Board actions qualify for exemptions from the California Environmental Quality Act (CEQA). The Developer obtained approvals from the City of Oakland for Building C on the property pursuant to a ministerial streamlined approval process authorized by Government Code Section 65913.4. Government Code Section 65913.4(k) provides that CEQA does not apply to the lease of land owned by a local government or the provision of financial assistance to a development that is approved pursuant to Government Code Section 65913.4 thus exempting your Board's approval of the LDDA, Ground Lease and financial assistance for the Project from CEQA with respect to the portion of the Project consisting of Building C.

Buildings A and B are consistent with and comply with the conditions for use of a Class 32 Infill exemption provided in the CEQA Guidelines Section 15332, based on an environmental assessment prepared by ESA consultants dated June 2, 2025 (a copy of which is available for review). The ESA analysis determined that the Project is consistent with the City of Oakland's General Plan and all applicable zoning designations; the project site is located within city limits on a site that is no more than 5 acres, the project site has no value as habitat for endangered, rare or threatened species; the development of the property as contemplated in the LDDA will not result in any significant effects on traffic, noise, air quality or water quality; and the property is adequately served by all required utilities and public services, The ESA analysis also found that the proposed development did not meet any of the conditions in the CEQA Guidelines that would disqualify the proposed development from relying upon a categorical exemption. Based on the ESA analysis, GSA has determined that the proposed development of Buildings A and B qualify for the Class 32 exemption and requests the adoption of the attached resolution exempting the Board's actions from further environmental review and authorizing the posting of a Notice of Exemption pursuant to CEQA Guidelines Section15062 within five business days after adoption of the Resolution.

The development of the 430 Broadway project advances County goals for affordable housing, health services access, and equitable economic growth along major transit corridors in downtown Oakland. GSA, CDA and Alameda County Health (who oversees the Measure W Home Together Fund) request your Board's approval of the recommended actions.

<u>SELECTION CRITERIA AND PROCESS</u>:

In August, 2019, your Board directed GSA to prepare a Request for Proposals (RFP) to qualified developers to ground lease the County Oakland Broadway properties located on either side of Broadway between 4th and 5th Streets (401 Broadway, 430 Broadway, and 499 5th Street) for a mixed-use development, utilizing Government Code Section 25539.4, which specifies that a minimum of 80% of the development be developed as housing and that a minimum of 40% of the housing units be affordable to very low and low-income households.

In February 2020, your Board directed that the CDA manage the RFP process. Following the issuance of a Request for Qualifications in July 2020 and a subsequent RFP in November 2020, your Board, in May 2021, affirmed the County Selection Committee's recommended selection of Related California/East Bay Asian Local Development Corporation (EBALDC) and directed staff to negotiate an Exclusive Negotiating Agreement (ENA) with them for the development of both County Broadway Properties.

The selection was made based on the development team's commitment to long-term ownership and local knowledge and connection (particularly EBALDC). Their concept proposal emphasizes the development of a significant amount of affordable housing (exceeding the minimums specified in Government Code Section 25539.4) that can be phased over time.

<u>FINANCING</u>:

Total funding in the amount of $31,330,000 for the project are available in the approved Fiscal Year 25-26 Measure W Fund (11010) and from interest earned on the Measure A1 Affordable Housing Bond funds.

Measure W appropriations are available in the amount of $7,350,000 in the Measure W Essential County Services Fund under Affordable Housing – County Owned Properties (Dept Org 200750/Prog 40803).

Appropriations in the amount of $11,380,000 in the Measure W Home Together Fund under the Home Together Plan contingencies are requested and will be transferred from Dept Org 110250/Prog 40850 to 200751/40803.

The Measure A1 funding consists of $12,600,000 from the Measure A1 interest revenues. Appropriations will be requested with the offsetting interest revenues when the request to approve the construction loan is brought to your Board for approval.

There is no increase in net County costs.

VISION 2036 GOAL:

The Broadway Project meets the 10X goal pathway of **Eliminate Homelessness** and **Health for All** by delivering affordable and permanent supporting housing and community-serving facilities in a mixed-use, transit-oriented development that advances safe, livable communities and a thriving, resilient population in support of our shared visions of **Safe & Livable Communities** and **Prosperous & Vibrant Economy**.

Respectfully submitted,

DocuSigned by:
Kimberly Gasaway
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Kimberly Gasaway
Director, General Services Agency

DocuSigned by:
Sandra Rivera
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Sandra Rivera
Director, Community Development Agency

DocuSigned by:
Aneeka Chaudhry
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Aneeka Chaudhry
Interim Director, Alameda County Health

Attachments

cc: County Administrator
Auditor-Controller
County Counsel

THE BOARD OF SUPERVISORS OF THE COUNTY OF ALAMEDA, STATE OF CALIFORNIA

RESOLUTION NO. 2026-15

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF ALAMEDA MAKING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT THAT THE APPROVAL OF A LEASE DISPOSITION AND DEVELOPMENT AGREEMENT, GROUND LEASE AND FINANCIAL ASSISTANCE TO THE DEVELOPMENT PROPOSED FOR 430 BROADWAY IS EXEMPT FROM FURTHER REVIEW

WHEREAS, the County of Alameda is considering approval of a Lease Disposition and Development Agreement, Ground Lease and financial assistance for the development of a residential project to be located at 430 Broadway, Oakland ("Project"); and

WHEREAS, the City of Oakland has issued entitlements for a portion of the Project, known as Building C pursuant to the ministerial streamlined approval process authorized by Government Code Section 65913.4. Pursuant to Government Code Section 65913.4, the California Environmental Quality Act ("CEQA") does not apply to the lease of land owned by a local government or to the provision of financial assistance for developments that receive streamlined approval pursuant to Government Code Section 65913.4; and

WHEREAS, CEQA Guidelines Section15332 exempts from CEQA review infill development projects that meet the conditions set forth in Section15332 including projects that are consistent with the applicable general plan and zoning ordinance, that are developed on sites that have no value as habitat for endangered, rare and threatened species and on sites that are adequately served by utilities and public services; and that will not result in any significant effects on traffic, noise, air quality or water quality.

NOW, THEREFORE, the Board of Supervisors of the County of Alameda does hereby resolves, determines and orders as follows:

Section 1. Recitals. The Board hereby finds and determines that all of the recitals set forth above are true and correct.

Section 2. CEQA Findings. The Board hereby makes the following findings regarding the proposed Project based on substantial evidence, including the following information:

(1). Building C of the Project was approved by the City of Oakland pursuant to Government Code Section 65913.4 which provides that CEQA does not apply to the lease of land by a local government or the provision of financial assistance for developments approved pursuant to that streamlined process.

(2) Buildings A and B of the Project qualify for the Class 32 exemption provided in the CEQA Guidelines Section15332 based on the report prepared by ESA dated June 2, 2025 which finds that:

(a) The Project is consistent with the City of Oakland General Plan designation and all applicable general plan policies as well as the City of Oakland Zoning designation for the site;

(b) The Project site has no value for habitat for endangered, rare or threatened species;

(c) Approval of the Project would not result in significant effects related to traffic, noise, air quality or water quality; and

(d) The Project Site can be adequately served by all required utilities and public services.

Section 3. Notice of Exemption. Within five (5) business days after the passage and adoption of this Resolution, the Board hereby authorizes and directs staff to prepare, execute and file with the County Clerk a Notice of Exemption for the proposed Project.

Section 4. Custodian of records. The administrative records of the Project are maintained in the office of the General Services Agency (GSA) of Alameda County, located at 1401 Lakeside Drive, Oakland, California 94612. The custodian of records is GSA Director Kimberly Gassaway.

The Foregoing was Passed and Adopted by the following vote of the Alameda County Board of Supervisors this 13th day of January, 2026, to wit:

AYES: Supervisors Tam, Miley, Márquez, Fortunato Bas and President Haubert - 5

NOES: None - 0

EXCUSED: None - 0

ABSTAINED: None - 0

David D. Haubert

DAVID HAUBERT
PRESIDENT, BOARD OF SUPERVISORS

ATTEST:
BRITNEY DAVIS
CLERK OF THE BOARD OF SUPERVISORS

BY: Nancy French
DEPUTY

APPROVED AS TO FORM:
DONNA R. ZIEGLER, COUNTY COUNSEL

BY: Signed by:
Andrew Massey
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Andrew Massey
Senior Deputy County Counsel

THE BOARD OF SUPERVISORS OF THE
COUNTY OF ALAMEDA, STATE OF CALIFORNIA

RESOLUTION NO. 2026-16

A RESOLUTION APPROVING A TERM SHEET FOR A LEASE DISPOSITION AND DEVELOPMENT AGREEMENT, GROUND LEASE, REGULATORY AGREEMENT, LOAN AGREEMENTS, AND A CAPITALIZED OPERATING SUBSIDY FOR THE DISPOSITION OF 430 BROADWAY TO JKL BUILDING A HOUSING PARTNERS, L.P.; APPROVING FUNDING IN AN AMOUNT NOT TO EXCEED $18,730,000 IN MEASURE W FUNDS INCLUDING A TWENTY YEAR CAPITALIZED PERMANENT SUPPORTIVE HOUSING OPERATING SUBSIDY OF $4,730,000 TO SUPPORT DEMOLITION, PREDEVELOPMENT, CONSTRUCTION AND OPERATION OF THE 430 BROADWAY AFFORDABLE HOUSING PROJECT

WHEREAS, in July 2020 the County issued a Request for Qualifications for developers for the development of properties owned by the County located at 401 Broadway, 430 Broadway and 499 5th Street ("County Owned Properties") and subsequently issued a Request for Proposals in November 2020; and

WHEREAS, in May 2021 the Board of Supervisors affirmed the recommendation of the County Selection Committee of Related Companies of California, LLC and East Bay Asian Local Development Corporation (collectively, the "Developers") as the proposed developers of the County Owned Properties and directed staff to negotiate an Exclusive Negotiating Agreement ("ENA") with the selected Developers; and

WHEREAS, in September 2021, the Board of Supervisors approved an ENA with the Developers and adopted a resolution declaring the County Owned Properties "exempt surplus land" pursuant to Government Code Section 54221(f); and

WHEREAS, the County and the Developers have negotiated the terms of a Lease Disposition and Development Agreement ("LDDA") which calls for the County to ground lease pursuant to the terms of a ground lease attached to the LDDA ("Ground Lease"), as set forth in the term sheet ("Term Sheet") attached hereto as Exhibit A, to an affiliate of the Developers, JKL Building A Housing Partners, L.P. ("Developer Affiliate"), the County Owned Property located at 430 Broadway for purposes of development of a multifamily affordable housing development in accordance with the terms of the LDDA and the Ground Lease; and

WHEREAS, the Term Sheet provides that the LDDA and the Ground Lease will require the Developer Affiliate to demolish all existing buildings located at 430 Broadway and construct in phases approximately 192 units of housing (189 affordable units and 3 unrestricted manager units); and

WHEREAS, the first phase of the development on the 430 Broadway site will be a 66-unit senior affordable housing development including 17 permanent supportive housing units ("PSH Units") and 1 unrestricted manager unit; and

WHEREAS, the Developers have agreed to enter into regulatory agreement to maintain certain levels of affordability of each of the housing units to be constructed (save and except the manager units) as set forth in the Term Sheet; and

WHEREAS, the County has allocated $18,730,000 in Measure W funds to support the development on 430 Broadway including $7,350,000 from the Essential Services Fund and $11,380,000 from the Home Together Fund, which funds include a twenty year capitalized operating subsidy for the PSH Units in the amount of $4,730,000 ("Capitalized Operating Subsidy"); and

WHEREAS, the County desires to enter into loan agreements with the Developers to provide the Measure W funds (other than the Capitalized Operating Subsidy) in the form of loans; and

WHEREAS, pursuant to a separate resolution, the County has authorized the allocation of $12,600,000 in Measure A1 Affordable Housing interest revenues to support the construction of the first phase of the affordable housing at 430 Broadway.

NOW, THEREFORE, THE BOARD OF SUPERVISORS HEREBY RESOLVES AS FOLLOWS:

Section 1. The Board of Supervisors hereby approves the Term Sheet, and authorizes the Director of the General Services Agency, or her designee, to negotiate and reduce to writing consistent with the terms of the Term Sheet the LDDA and related instruments and agreements as set forth in the Term Sheet or as reasonably necessitated by its terms, including the Ground Lease, regulatory agreements, loan agreements, and Capitalized Operating Subsidy agreement for 430 Broadway upon finalization, subject to the review and approval as to form by County Counsel and submit an executed copy to the Clerk of the Board; and

Section 2. Approve funding amounts not to exceed $18,730,000 in Measure W allocated funds consisting of $7,350,000 from the Essential Services Fund and $11,380,000 from the Home Together Fund, which includes a twenty-year capitalized permanent supportive housing operating subsidy of $4,730,000 ("Measure W Funding"), to support demolition, predevelopment, construction and operation of the 430 Broadway Affordable Housing Project.

Section 3. This Measure W Funding, other than the Capitalized Operating Subsidy, shall be in the form of loans with terms as set forth in the Term Sheet.

Section 4. As a condition of the Measure W Funding, the County will require that appropriate restrictions on project occupancy, rent levels and operations be recorded against project improvements, including the requirement that 17 units are PSH Units in the first phase of the project.

Section 5. The Measure W Funding, other than the Capitalized Operating Subsidy, shall be secured by a deed of trust recorded on the project real property and improvements.

Section 6. The Board authorizes the Auditor-Controller to make the related budget adjustments to carry out the purposes of this Resolution.

Section 7. The Board authorizes the Director of the General Services Agency, the Director of the Community Development Agency, and the Director of Alameda County Health to take any and all actions necessary to implement the LDDA, the Ground Lease, and the Measure W Funding, consistent with Board's direction, and to develop a memorandum of understanding to memorialize the coordination of their efforts..

The foregoing Resolution was passed and adopted by the Board of Supervisors of Alameda County, State of California on January 13, 2026 by the following vote:

Ayes: Supervisors Tam, Miley, Márquez, Fortunato Bas and President Haubert - 5

Noes: None - 0

Excused: None - 0

David G. Haubert

DAVID HAUBERT
PRESIDENT, BOARD OF SUPERVISORS

ATTEST:
BRITNEY DAVIS
CLERK OF THE BOARD OF SUPERVISORS

BY: Nancy French
DEPUTY

APPROVED AS TO FORM:
DONNA R. ZIEGLER, COUNTY COUNSEL

BY: Signed by:
Andrew Massey
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Andrew Massey
Senior Deputy County Counsel

430 Broadway, Oakland Affordable Housing Project: Term Sheet

Item	**Details**
Lessor	County of Alameda, a political subdivision of the State of California.
Developer / Lessee	JKL Building A Housing Partners, L. P., a limited partnership, whose general partners are affiliates of: - The Related Companies of California, LLC - East Bay Asian Local Development Corporation (EBALDC)
Purpose of Agreement(s)	Document terms for Lease Disposition and Development Agreement (LDDA), Ground lease (Ground Lease), regulatory agreements, and Capitalized Operating Subsidy for demolition, financing, construction, and operation of a multi-phase affordable housing project at 430 Broadway, Oakland
Statutory Basis	- Gov. Code Section 25539.4 allowing for a mixed-used development specifying that a minimum of 80% of the development be developed as housing and that a minimum of 40% of the housing units be affordable to very low and low-income households
CEQA Compliance/Exemptions	Buildings A & B: CEQA Guidelines Section 15332, Class 32 Infill Exemption Building C: Gov. Code Section 65913.4(k) County will file Notice of Exemption within 5 business days of Board action approving exemption findings
County Funding Sources & Uses $31.33M	**Pre Development and Demolition All Existing Buildings $9.8 million** Measure W Essential Services $7.35M Measure W Home Together Fund $2.45M **Construction Building A $16.8M** Measure W Home Together Fund $4.2M Measure A1 Interest on Principal $12.6M **20 Year Capitalized Operating Subsidy $4.73M** Measure W Home Together Fund $4.73M
Predevelopment Loan $9.8M	Zero interest Secured by a leasehold deed of trust on the property Loan will be allocated based on square footage of each of the three buildings (A, B, C)
Building A Project $62M Measure A1 Construction Loan Application	Residual receipts loan simple interest as determined by the Housing Director 55-year term $2.7 million demolition allocation (from Pre-development loan) and $16.8 million construction Contingent on Developer securing third-party funding balance prior to County disbursement of construction funding
Operating Subsidy Reserve Agreement for $4.73M	20-year term Operational Reserve for 17 Permanent Supportive Housing (PSH) units

Ground Lease Requirements	-Payment of Prevailing Wage (Section 4.6) -Project Labor Agreement (Section 4.7) - Good faith efforts to meet Measure A1 Implementation Policies for outreach to Alameda County based and small/local businesses and employment of disadvantaged residents (Section 4.8) Note: Building A Construction Loan Agreement will require full compliance with Measure A1 implementation policies for construction
Project Description & Phasing	Total: 192 units (189 affordable units & 3 unrestricted manager units) across three buildings First Phase - Demolition of all existing buildings on the property – Construction of Building A to include: - 66-unit Senior Housing building with 17 PSH units, including 1 manager unit Subsequent Phases Building B - 55 Large Family Housing Units, including 1 manager unit Building C – 71 Large Family Housing Units, including 1 manager unit
Ownership & Control	County retains ownership of land Developer receives a 99-year Ground Lease
LDDA	Developer obligations include entitlements, demolition, financing, construction, affordability, and PSH. County obligations include Measure W and Measure A1 funding commitments and filing of CEQA Notice of Exemption.
Ground Lease Structure	Term: 99 years Rent: $1/year Provides site control to Developer for demolition, financing, and phased redevelopment. Upon commencement of construction of Building A, the GSA Director is delegated authority to amend the Ground Lease to apply solely to the Building A property and execute two additional ground leases, on the same terms as the existing Ground Lease, for the portions of the property upon which Buildings B and C are to be constructed.
Regulatory Agreements Affordability Requirements	*1st Regulatory Agreement for LDDA Requirements* 20% of the units to be affordable at 50% of AMI, 20% at 60% of AMI and the remaining at 80% These are minimum affordability requirements, with Building A requiring higher affordability requirements as noted below to meet Measure A1 funding requirements Total: 192 units (189 affordable units & 3 unrestricted manager units) across the site *2nd Regulatory Agreement for Measure A1 Requirements for Building A*

	- ≥13 units at 20% Area Median Income (AMI) - ≥52 units with household ranging between 30% up to 60% AMI - 1 manager unit (unrestricted) - Total equals 66 units with 65 affordable units - In addition to the above requirements, an overlay that 17 units will be PSH is also required

Schedule / Milestones	Demolition completion: early 2027 Commencement of Construction deadlines, following execution of LDDA: - Building A: within 3 years (up to 5 years with two one-year County approved extensions) - Building B: within 8 years - Building C: within 10 years (up to 11 years with a one-year County approved extension)
Insurance, Indemnification & Compliance	The requirements include General Liability, Auto Insurance, Worker's Compensation, Builder's Risk, Professional Liability (Errors & Omissions), and Pollution Liability. Deductibles and self-insured retention are addressed, and other standard insurance requirements, such as listing the County as an additional insured and requiring that the Tenant's insurance is primary, are also included
Modifications & Approvals	Minor, non-substantive changes to the LDDA, Ground Lease, or Regulatory Agreements may be approved by GSA Director while Material amendments require Board approval The GSA Director may make changes to the loan agreements and Capitalized Operating Subsidy agreement by determining funding allocations, extending the Measure W Funding allocation as needed for project viability, extending or modifying the repayment terms, or similar actions consistent with the Purpose of Agreements.

THE BOARD OF SUPERVISORS OF THE COUNTY OF ALAMEDA, STATE OF CALIFORNIA

RESOLUTION NO. 2026-17

A RESOLUTION AUTHORIZING A PERMANENT FINANCING LOAN TO JKL BUILDING A HOUSING PARTNERS, LP FOR THE 430 BROADWAY BUILDING A PROJECT FROM MEASURE A1 INTEREST REVENUES IN A TOTAL AMOUNT NOT TO EXCEED $12,600,000

WHEREAS, on November 8, 2016, the voters in the County of Alameda passed the Measure A1 Affordable Housing Bond, which provides for the issuance of up to $580 million in general obligation bonds for affordable housing programs countywide; and

WHEREAS, Article XXXIV of the Constitution of the State of California ("Article 34") provides that no low-rent housing project shall be developed, constructed, or acquired in any manner by any state public body until a majority of the qualified electors of the county in which it is proposed to develop, construct, or acquire the project, voting upon such issue, approve such project by voting in favor thereof at an election to be held for that purpose, or at any general or special election; and

WHEREAS, passage of the Measure A1 Affordable Housing Bond also constituted the approval required by Article 34, authorizing up to 8,500 affordable rental housing units; and

WHEREAS, the Board of Supervisors adopted an Affordable Housing Program on June 28, 2016, when the Board acted to place Measure A1 on the Ballot; and

WHEREAS, the 430 Broadway Building A Affordable Housing Project, located at 430 Broadway in Oakland, California and developed by JKL Building A Housing Partners, L.P. (the "Developer") will meet the Measure A1 Bond Program requirements by providing affordable rental housing to 65 low-income households, including a minimum of 13 units (20% of the units) at 20% of Area Median Income and 52 units available to households with incomes ranging between 30% to 60% of Area Median Income, with 17 of the total units to be designated as permanent supportive housing (PSH) units and available for occupancy by persons at risk of homelessness.

NOW, THEREFORE, THE BOARD OF SUPERVISORS HEREBY RESOLVES AS FOLLOWS:

Section 1. The Board of Supervisors hereby authorizes a permanent loan to be funded with Measure A1 interest revenues in an amount not to exceed $12,600,000 to JKL

Building A Housing Partners, L.P. or to an affiliate entity approved by the Housing Director or her designee, to be used for the 430 Broadway Building A Affordable Housing Project.

Section 2. Loan funds shall be contingent upon (a) the completion of applicable environmental review; (b) the completion of the Measure A1 Rental Housing application; (c) the completion of a financial capacity review of JKL Building A Housing Partners, L.P. by the County's Housing and Community Development (HCD) Department; (d) County receipt of all financial commitments for the development of the Project; (e) determination by HCD of whether County Article 34 authority must be utilized; and (e) such other appropriate terms and conditions as the Housing Director or her designee may establish.

Section 3. This loan shall be for a maximum of 55 years, with an interest rate to be determined by the Alameda County Housing Director in her discretion and as established in the Measure A1 Rental Housing Development policies and procedures, published in October, 2017, with repayment to the County from surplus cash flow from the Project and other available funds during the term of the loan in accordance with Measure A1 Implementation Policies for the Rental Housing Development Fund, with the balance due at the end of the term, or on such other repayment terms and schedule as the Housing Director or her designee determines are in the best interest of the County and the project.

Section 4. As a condition of the loan, the County will require that appropriate restrictions on project occupancy, rent levels and operations be recorded against project improvements.

Section 5. The loan shall be secured by a deed of trust recorded on the project real property and improvements.

Section 6. Loan funds shall be reserved for a period of no more than 36 months from the date of this resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full project funding or provided other assurances of adequate project funding that the Housing Director or her designee deems sufficient within her discretion within the reservation period.

Section 7. The Board authorizes the Housing Director or her designee to subordinate the priority of any of the County's recorded interests in the project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the project, if the Housing Director or her designee determines that (a) an economically feasible alternative method of financing the project on substantially comparable terms and conditions but without subordination is not reasonably available, (b) the County's investment in the project in the event of default is reasonably protected, and (c) subordination is in the best interests of the County.

Section 8. The County will restrict the affordability of 65 of the affordable units in 430 Broadway Building A Affordable Housing Project, thus expending 65 units of the County's 8,500 units of Article 34 authority.

Section 9. This Project will return to the Board of Supervisors for authorization of a contract with JKL Building A Housing Partners, L.P. or with an affiliate entity approved by the Housing Director or her designee, in an amount not to exceed $12,600,000 prior to funding the loan.

Section 10. The Board authorizes the Housing Director or her designee to determine funding allocation, conduct negotiations, extend this commitment by twelve months as needed for project viability, execute documents, administer the loans, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

The foregoing Resolution was passed and adopted by the Board of Supervisors of Alameda County, State of California on January 13, 2026 by the following vote:

Ayes: Supervisors Tam, Miley, Márquez, Fortunato Bas and President Haubert - 5

Noes: None - 0

Excused: None - 0

David G. Haubert

DAVID HAUBERT
PRESIDENT, BOARD OF SUPERVISORS

ATTEST:
BRITNEY DAVIS
CLERK OF THE BOARD OF SUPERVISORS

BY: Nancy French
DEPUTY

APPROVED AS TO FORM:
DONNA R. ZIEGLER, COUNTY COUNSEL

BY: Signed by:
Andrew Massey
8DB0B0A6891E440...
Andrew Massey
Senior Deputy County Counsel

FINANCIAL RECOMMENDATION FORM

AGENDA DATE: 1/13/2026

BOARD LETTER SUBJECT: APPROVE AGREEMENTS RELATED TO PROJECT AT 430 BROADWAY, OAKLAND AND APPROVE USE OF MEASURE W AND MEASURE A1

BUDGET YEAR: 2026 **FUND:** 11010

The use of Designations, as follows:

NAME OF DESIGNATION	ORG	AMOUNT

The increase (decrease) in anticipated revenue, as follows:

ORG	ACCT	PROG	PROJ/GR *(Informational)*	AMOUNT
			ORG TOTAL	$0

ORG	ACCT	PROG	PROJ/GR *(Informational)*	AMOUNT
			ORG TOTAL	$0

GRAND TOTAL ANTICIPATED REVENUE $0

The increase (decrease) in appropriations, as follows:

ORG	ACCT	PROG	PROJ/GR *(Informational)*	AMOUNT
200751	650011	00000		11,380,000
110310	670001	00000		(11,380,000)
			ORG TOTAL	$0

ORG	ACCT	PROG	PROJ/GR *(Informational)*	AMOUNT
			ORG TOTAL	$0

GRAND TOTAL APPROPRIATION $0

LEASE DISPOSITION AND DEVELOPMENT AGREEMENT
(430 Broadway)

This Lease Disposition and Development Agreement (the "Agreement") is entered into as of January 29th, 2026 (the "Effective Date"), by and between the County of Alameda, a body corporate and politic and a subdivision of the State of California (the "County"), and JKL Building A Housing Partners, LP, a California limited partnership (the "Developer"), with reference to the following facts, understandings and intentions of the parties:

RECITALS

A. These Recitals refer to and utilize certain capitalized terms which are defined in Article 1 of this Agreement. The Parties intend to refer to those definitions in connection with the use of capitalized terms in these Recitals.

B. The County owns the Property, which is located at 430 Broadway, Oakland, California as more particularly described in the attached Exhibit A. The Property currently is improved with a single vacant building ("Existing Building").

C. The County Board of Supervisors has determined, in accordance with Government Code Section 25539.4, that the Property can be used to provide housing affordable to persons and families of low and very low income.

D. The County issued a Request for Qualifications ("RFQ") followed by a Request for Proposals ("RFP") for qualified developers to lease from the County the Property in accordance with the terms of a long term ground lease, and to develop and operate on the Property the most housing units possible at the deepest levels of affordability given current and potential funding sources, in the most expedient manner consistent with Government Code Section 25539.4.

E. The Developer submitted a proposal to lease and develop the Property dated March 21, 2021 (the "Proposal"), a copy of which is on file with the County. The Proposal includes the development of approximately 192 units of housing of which 20% are required to be affordable to persons and families of very low income, 20% are required to be affordable to persons and families with incomes not exceeding 60% of area median income and the remaining units are required to be affordable to low income households (the "Development"). The Developer intends to develop the Development in three phases, with each phase consisting of a separate building (each, a "Phase").

F. The County and the Developer entered into an ENA on September 28, 2021, which provided for an initial negotiation period of two years which was extended by the First Amendment to the ENA, the Second Amendment to the ENA and the Third Amendment to the ENA.

G. The County desires to lease the Property to the Developer in accordance with the provisions of this Agreement and the Ground Lease attached hereto in order to facilitate the use of the Property for the Development.

H. The Developer has applied for streamlined ministerial approval of the Development from the City of Oakland for Building C of the Development pursuant to Government Code Section 65913.4 and pursuant to the City of Oakland streamlined, ministerial approval process under the City's By Right Residential Approval process for Buildings A and B. The Developer has received entitlements for the Development.

I. Pursuant to Government Code Section 65913.4(k) CEQA does not apply to the lease of property subject to streamlined ministerial approval pursuant to Government Code Section 65913.4. Building C was approved pursuant to Government Code Section 65913.4 and thus is not subject to CEQA.

J. The County has determined that Buildings A and B are consistent with and comply with the conditions for use of the Class 32 exemption (CEQA Guidelines 15332) and that approval of this Agreement related to Buildings A and B would not result in any significant effects related to traffic, noise, air quality or water quality, as more fully explained in the background materials and resolution approving this Agreement.

K. The County has agreed to provide loans to the Developer in the aggregate amount of Thirty One Million Three Hundred Thirty Thousand Dollars ($31,330,000) consisting of an initial loan of Nine Million Seven Hundred Sixty-One Thousand Two Hundred Eighteen Dollars ($9,761,218) (the "Predevelopment Loan") for costs associated with demolition of the Existing Improvements on the Property, gap financing in the form of a loan for the construction and permanent financing for Building A on the Property in the amount of Sixteen Million Eight Hundred Twenty Thousand Eight Hundred Forty-Nine Dollars ($16,820,849) (the "Gap Loan") and a twenty year capitalized operating subsidy to support seventeen (17) permanent supportive housing units in Building A in the approximate amount of Four Million Seven Hundred Thirty Thousand Dollars ($4,730,000) as more fully described in the County Resolution approving the County Funding. The Predevelopment Loan is expected to be allocated proportionately to each of the three Phases of construction and to convert to construction and permanent financing for each Phase as specified in the Predevelopment Loan Documents.

L. In accordance with the ENA, the County and the Developer have established the terms and conditions for the conveyance of the leasehold interest in the Property to the Developer, the development of the Development, and the ongoing operation of the affordable housing included as part of the Development upon completion of the development of the Development. The County has determined that the Developer has the necessary expertise, skill, and ability to carry out the commitments set forth in this Agreement.

M. To effectuate the development of the Development on the Property, upon the Developer's satisfaction of the conditions set forth below, the County will convey the leasehold interest in the Property to the Developer pursuant to the Ground Lease.

THEREFORE, the Parties agree as follows:

AGREEMENT

The foregoing recitals are hereby incorporated by reference and made part of this Agreement.

ARTICLE 1.
DEFINITIONS AND EXHIBITS

Section 1.1 Definitions.

In addition to the terms defined elsewhere in this Agreement, the following definitions shall apply throughout this Agreement.

(a) "Assignment of Documents" means the Assignment of Agreements, Plans and Specifications, and Approvals, substantially in the form attached as Exhibit E.

(b) "Board of Supervisors " means the board of supervisors of the County.

(c) "Building Permit" means the building permit and all other ministerial construction permits required from the City and other governmental agencies to demolish the Existing Improvements and to construct the Improvements, or any Phase thereof.

(d) "CEQA" means the California Environmental Quality Act (Public Resource Code 21000 et seq.), and its implementing regulations.

(e) "Certificate of Occupancy" means a final certificate of occupancy issued by the City for any Phase of the Improvements, or equivalent final inspection.

(f) "City" means the City of Oakland, a municipal corporation.

(g) "City Approvals" means all approvals required to be obtained from the City for the construction of the Development or any Phase thereof, including but not limited to conditional use and design review permits and demolition permits, but not including Building Permits.

(h) "Close of Escrow" means the date on which the Property is conveyed to the Developer by the County pursuant to the Ground Lease and the fee interest in the Existing Improvements is conveyed to the Developer pursuant to a quitclaim deed.

(i) "Community Engagement Plan" means the plan prepared by Developer and submitted to the County setting forth the Developer's detailed plan for outreach to community groups and stakeholders in the vicinity of the Development to educate the public about the Development and see input from the public on the Development.

(j) "Construction Plans" means the final construction plans for the demolition of the Existing Improvements as approved by the County in accordance with Section 2.3.

(k) "Control" means (i) direct or indirect management or control of the managing member or members in the case of a limited liability company; (ii) direct or indirect management or control of the managing general partner or general partners in the case of a partnership and (iii) (a) boards of directors that overlap by fifty percent (50%) or more of their directors, or (b) direct or indirect control of a majority of the directors in the case of a corporation.

(l) "County" means the County of Alameda, a body public and politic and a subdivision of the State of California.

(m) "County Documents" means, collectively, this Agreement, the Ground Lease, the Assignment of Documents, any and all documents evidencing and securing the Predevelopment Loan, the Gap Loan or any other loan from the County to the Developer in connection with the Development, all documents executed by the Developer or a Developer Affiliate in favor of the County in connection with the Development, the Regulatory Agreement, and this Agreement, and all other documents required by the County to be executed by the Developer or a Developer Affiliate in connection with the transaction contemplated by this Agreement. "County Document" means any of the County Documents.

(n) "Default" has the meaning set forth in Section 6.3.

(o) "Developer" means JKL Building A Housing Partners, LP, a California limited partnership and its successors and assigns as permitted by this Agreement.

(p) "Developer Affiliate" means a limited partnership in which (i) a single purpose entity with The Related Companies of California as the majority owner is the administrative general partner, (ii) a single purpose entity with an affiliate of East Bay Asian Local Development Corporation as the sole member will serve as the Managing General Partner and (iii) the limited partnership interests will be held by a tax credit investor.

(q) "Developer Event of Default" has the meaning set forth in Section 6.3.

(r) "Development" has the meaning set forth in Recital E..

(s) "Development Schedule" means the schedule attached as Exhibit B, as approved by the County setting forth the anticipated schedule for the Close of Escrow and the demolition of the Existing Improvements, as the same may be amended from time to time by mutual agreement of the Parties.

(t) "Effective Date" means the date this Agreement is entered into by the Parties as first written above.

(u) "ENA" means that certain Exclusive Negotiating Agreement dated as of September 28, 2021, by and between the County and the Developer, as amended by the First Amendment to ENA dated as of September 29, 2023, and the Second Amendment to ENA dated October 22, 2024 and the Third Amendment to ENA dated September 24, 2025.

(v) "Existing Improvements" means those improvements located on the Property as of the Close of Escrow consisting of an approximately 108,000 square foot building and ancillary site improvements.

(w) "Financing Plan" means, with respect to each Phase, the Developer's plan for financing the design, engineering and construction of each such Phase of the Improvements, including a detailed development budget, construction and permanent financing commitment letters, to be approved by the County pursuant to Section 4.1, and which may be revised from time to time with the approval of the County pursuant to Section 4.1.

(x) "Gap Loan" has the meaning set forth in Recital K.

(y) "Ground Lease" means the ground lease, substantially in the form attached as Exhibit D, to be executed by the County and the Developer at the Close of Escrow of the Development.

(z) "Hazardous Materials" means any "hazardous substance" as defined in Section 101(14) of CERCLA (42 U.S.C. Section 9601(14)) or Section 25281(d) or 78075 of the California Health and Safety Code as amended from time to time;

(1) any "hazardous waste," "infectious waste" or "hazardous material" as defined in Section 25117, 25117.5 or 25501(n) of the California Health and Safety Code as amended from time to time;

(2) any other waste, substance or material designated or regulated in any way as "toxic" or "hazardous" in the RCRA (42 U.S.C. Section 6901 et seq.), CERCLA (42 U.S.C. Section 9601 et seq., Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.), Safe Drinking Water Act (42 U.S.C. Section 300(f) et seq.), Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.), Clear Air Act (42 U.S.C. Section 7401 et seq.), California Health and Safety Code (Section 25100 et seq., Section 39000 et seq.), or California Water Code (Section 13000 et seq.) as amended from time to time; and

(3) any additional wastes, substances, or materials which at such time are classified, considered, or regulated as hazardous or toxic under any other present or future environmental or other similar laws relating to the Property or the Improvements.

The term "Hazardous Materials" shall not include: (i) construction materials, gardening materials, household products, office supply products, art supplies, or janitorial supply products customarily used in the construction, maintenance, construction, or management of art facilities, or typically used in office activities, or (ii) certain substances which may contain chemicals listed by the State of California pursuant to California Health and Safety Code Sections 25249.8 et seq., which substances are commonly used by a significant portion of the population living within the region of the Property, including, but not limited to, alcoholic beverages, aspirin, tobacco products, NutraSweet and saccharine. Hazardous Materials expressly exclude substances typically used in the construction, development, operation and maintenance of an apartment complex provided such substances are used in accordance with all Hazardous Materials Laws.

(aa) "Hazardous Materials Laws" means all federal, state, and local laws, ordinances, regulations, orders, and directives pertaining to Hazardous Materials in, on or under the Property or the Improvements or any portion thereof.

(bb) "Improvements" means the approximately 192 housing units and ancillary improvements to be constructed on the Property in accordance with this Agreement, the Scope of Development and the Phasing Plan attached as Exhibit C.

(cc) "Memorandum of Ground Lease" means the memorandum of the Ground Lease to be recorded against the Property at the Close of Escrow.

(dd) "Official Records" means the official land records of the County.

(ee) "Parties" means, collectively, the County, and the Developer. "Party" shall refer to either of the Parties.

(ff) "Phase" means each of the three buildings that constitute the Development, each to be developed during a specified time within the Development Schedule

(gg) "Phasing Plan" means the plan included within Exhibit C setting forth the three Phases of the Development, the approximate units within each Phase and proposed unit size and affordability restrictions within each Phase.

(hh) "Predevelopment Loan" has the meaning set forth in Recital K.

(ii) "Predevelopment Loan Documents" means the documents evidencing and securing the Predevelopment Loan.

(jj) "Property" means the real property to be developed by the Developer pursuant to this Agreement, which real property is more particularly described in Exhibit A.

(kk) "Regulatory Agreement" means that Regulatory Agreement and Declaration of Restrictive Covenants to be recorded against the Property at the Close of Escrow substantially in the form of Exhibit G attached.

(ll) "Scope of Development" means the description of the basic physical characteristics of the Development which is consistent with the City Approvals and will serve as a basis for the preparation of the Construction Plans for each Phase. The Scope of Development is attached to this Agreement as Exhibit C.

(mm) "Term" means the term of this Agreement, which shall consist of the period commencing as of the Effective Date and continuing until the first (1st) anniversary of the date of the issuance of the Certificate of Occupancy for the final Phase of the Development (as defined in the Ground Lease).

(nn) "Title Company" means Old Republic Title Company, or such other title company as the Parties may mutually select.

(oo) "Title Report" means that certain title report dated October 1, 2024, issued by the Title Company for the Property.

(pp) "Transfer" has the meaning set forth in Section 5.1.

Section 1.2 Exhibits.

The following exhibits are attached to and incorporated in the Agreement:

Exhibit A:	Legal Description of the Property
Exhibit B:	Development Schedule
Exhibit C:	Scope of Development
Exhibit D:	Ground Lease
Exhibit E:	Assignment of Documents
Exhibit F:	Preliminary Financing Plan
Exhibit G:	Regulatory Agreement
Exhibit H	Quitclaim Deed - Improvements

ARTICLE 2.
PREDISPOSITION REQUIREMENTS FOR CONVEYANCE OF THE LEASEHOLD INTEREST IN THE PROPERTY

Section 2.1 Conditions Precedent to Disposition of the Leasehold Interest in the Property.

The requirements set forth in this Article 2 are conditions precedent to the County's obligation to convey a leasehold interest in the Property pursuant to the Ground Lease and the fee interest in the Existing Improvements pursuant to the Quitclaim Deed to the Developer and the Close of Escrow. The County shall have no obligation to convey the Property to the Developer unless the Developer has satisfied the conditions precedent set forth in this Article 2 in the manner set forth below and within the timeframe set forth in the Development Schedule.

Section 2.2 Demolition Financing.

The Developer shall have entered into a Predevelopment Loan Documents with the County and all conditions to funding the Predevelopment Loan have been met.

Section 2.3 Construction Plans and Building Permit.

(a) The Developer shall prepare construction plans for the demolition of the Existing Improvements. The final construction plans for the demolition of the Existing Improvements submitted by the Developer for County approval shall consist of all construction documentation upon which the Developer and its contractors shall rely in demolishing the Existing Improvements. County shall approve or disapprove the final construction plans for the demolition of the Existing Improvements within thirty (30) calendar days after the County's receipt. In the event the County disapproves the construction plans the County and the Developer agree to negotiate in good faith to develop a submission that is reasonably acceptable to both the County and the Developer within a reasonable period of time. The County's review and approval of the construction plans shall be in its role as property owner and is not intended to constitute a regulatory review or approval.

(b) No later than the date set forth in the Development Schedule, the Developer shall apply for building permits for the demolition of the Existing Improvements from the City consistent with the County approved construction plans. After submitting applications for Building Permits as set forth above, the Developer shall diligently pursue and obtain the Building Permits for the demolition of the Existing Improvements, no later than the date set forth in the Development Schedule. For the purposes of this Agreement, the Developer shall be deemed to have satisfied the condition precedent to obtain the Building Permit for the demolition of the Existing Improvements by delivering evidence to the County that the Developer has received an Issue Ready Letter from the City subject only to the payment of applicable permit fees.

Section 2.4 Construction Contract.

(a) No later than the date set forth in the Development Schedule, the Developer shall submit to the County for its limited approval the proposed construction contract for the demolition of the Existing Improvements. The County's review and approval shall be limited exclusively to a determination whether: (i) the guaranteed maximum construction cost, or stipulated sum, set forth in the construction contract is consistent with and does not exceed the amount of the County Predevelopment Loan; (ii) the construction contract is with a contractor duly licensed by the State of California and reasonably acceptable to the County; (iii) the construction contract contains provisions consistent with this Agreement and the Ground Lease; (iv) the construction contract requires a retention of ten percent (10%) of hard costs until completion of demolition (provided, however, the construction contract may provide for the release of retention, prior to completion of the demolition, to certain specified subcontractors that have completed all of their work on the demolition as reasonably approved by the County, and, provided, further, that such early retention amount shall be based on the subcontractor's initial contract sum, and shall exclude any increase in the contract sum due to change orders, or otherwise); (v) the construction contract requires the payment of prevailing wages in accordance with the Ground Lease Section 4.6 and Labor Code Sections 1720 et seq.; (vi) the construction contract requires the contractor to make good faith efforts to meet the Measure A-1 Implementation Policies regarding employment of disadvantaged residents and contracting with Alameda County based and small/local businesses; (vii) the construction contract incorporates a project labor agreement that complies with the minimum terms in the Measure A-1 Implementation Policies; (viii) the construction contract includes language indemnifying the County for any and all claims resulting from the construction in a form to be provided by the County; and (ix) the construction contract includes the applicable insurance requirements as set forth in the Ground Lease. The County's approval of the construction contract shall in no way be deemed to constitute approval of, or concurrence with, any other term or condition of the construction contract.

(b) Upon receipt by the County of the proposed construction contract, the County shall promptly review same and approve it within fifteen (15) days if it satisfies the limited criteria set forth above. If the construction contract is not approved by the County, the County shall set forth in writing and notify the Developer of the County's reasons for withholding such approval. The Developer shall thereafter submit a revised construction contract for County approval, which approval shall be granted or denied within fifteen (15) days in accordance with the criteria and procedures set forth above. Failure of the County to respond within the fifteen (15) day period(s) set forth above shall be deemed approval by the County.

Any construction contract executed by the Developer for the demolition of the Existing Improvements shall be in a form approved or deemed approved by the County.

(c) The Developer shall not rely on the County's approval of the construction contract(s) as a representation regarding the enforceability or business advantage of the construction contract(s). County approval shall merely constitute satisfaction of the condition set forth in this Section.

Section 2.5 Construction Bonds.No later than the date set forth in the Development Schedule, the Developer shall deliver to the County forms of one (1) labor and material bond and one (1) performance bond for the demolition of the Existing Improvements issued by a reputable insurance company licensed to do business in California, and named in the current list of "Surety Companies Acceptable on Federal Bonds" as published in the Federal Register by the Audit Staff Bureau of Accounts, U.S. Treasury Department, and reasonably acceptable to the County, each in a penal sum of not less than one hundred percent (100%) of the scheduled cost of demolition of the Existing Improvements as set forth in the approved construction contract for the County's review and approval. The bonds shall name the County as co-obligee. Upon receipt by the County of the proposed payment and performance bonds, the County shall promptly review such bonds and approve them within fifteen (15) days if they satisfy the criteria set forth above, and include any other modification reasonably requested by the County. If the payment and performance bonds are not approved by the County, the County shall set forth in writing and notify the Developer of the County's reasons for withholding such approval. The Developer shall thereafter submit revised payment and performance bonds for County approval, which approval shall be granted or denied in fifteen (15) days in accordance with the criteria and procedures set forth above. Failure of the County to respond within the fifteen (15) day period(s) set forth above shall be deemed approval by the County.

(b) Prior to the commencement of demolition of the Existing Improvements, the Developer shall deliver to the County copies of actually issued bonds substantially identical to the forms previously delivered to, and approved by, the County. The Developer may elect to satisfy the obligation set forth in this Section 2.5 by delivering bonds which name the Developer's general contractor(s), and not the Developer, as the principal. Only upon County receipt of such bonds shall the pre-disposition conditions of this Section 2.5 be deemed met. If such bonds are not received within the time set forth above, this Agreement may be terminated pursuant to Article 7.

Section 2.6 Insurance.

The Developer shall furnish to the County evidence of the insurance coverage meeting the requirements set forth in the Ground Lease including any insurance required from the Contractor and any design professionals, no later than the date set forth in the Development Schedule.

Section 2.7 Assignment of Documents.

The Developer shall assign to the County its rights and obligations with respect to the Construction Plans for and certain agreements, plans, specifications, other documents, and approvals for the demolition of the Improvements, pursuant to an Assignment of Documents, substantially in the form set forth in the attached Exhibit E, which shall be executed by the Developer and all Contractors, as defined in the Assignment of Documents.

Section 2.8 Other Governmental Approvals.

The Developer shall have obtained any other required governmental approvals and permits necessary for the demolition of the Existing Improvements.

Section 2.9 Defaults

Neither the Developer nor the County shall be in Default under this Agreement.

Section 2.10 No Litigation.

There shall be no litigation challenging the City's approval of the demolition of the Existing Improvements, the County's authority to enter into this Agreement or the Ground Lease with respect to the Development.

ARTICLE 3.
DISPOSITION OF THE LEASEHOLD INTEREST IN THE PROPERTY

Section 3.1 Opening Escrow.

To accomplish the transfer of the leasehold interest in the Property and the fee interest in the improvements existing on the Property from the County to the applicable Developer Affiliate, the Parties shall, within thirty (30) days after the Effective Date, establish an escrow with the Title Company. The Parties shall execute and deliver all written instructions to the Title Company to accomplish the terms hereof, so long as such instructions are consistent with this Agreement.

Section 3.2 Close of Escrow.

(a) The Close of Escrow shall occur within thirty (30) days after the Developer has met all of its pre-disposition conditions as set forth in Article 2 above, but in no event shall the Close of Escrow occur later than the date set forth in the Development Schedule.

(b) At the Close of Escrow, the County shall convey the leasehold interest in the Property to the Developer by the execution of the Ground Lease in substantially the form set forth in the attached Exhibit D, and the execution of the Memorandum of Ground Lease and the recordation of the Memorandum of Ground Lease against the Property and the fee interest in the Existing Improvements on the Property by a quitclaim deed in substantially the form set forth in the attached Exhibit H ("Quitclaim Deed"). Additionally, the Developer and the County shall enter into and record the Regulatory Agreement against the Property.

Section 3.3 County Conditions to Conveyance.

The County's obligation to convey the leasehold interest in the Property to the Developer and the fee interest in the Existing Improvements shall be subject to satisfaction of the following pre-conditions with respect to such Phase:

(a) The conditions precedent set forth in Article 2 above shall have been satisfied in accordance with the Development Schedule.

(b) The representations, warranties, and covenants of the Developer set forth in Section 7.19 shall be true and correct in all material respects, and fully observed, as of the Effective Date and as of the Close of Escrow with respect to the Developer.

(c) There exists no Developer Event of Default nor any act, failure, omission, or condition that would constitute a Developer Event of Default under this Agreement.

(d) The Developer has delivered to the County a copy of the Developer's organizational documents and corporate resolution(s) authorizing the Developer's execution of this Agreement and the transactions contemplated by this Agreement.

(e) The Developer has executed and delivered to the County the Ground Lease, the Memorandum of Ground Lease, the Quitclaim Deed, and the Regulatory Agreement.

(f) The County has vacated all of the buildings located on the Property.

Section 3.4 Condition of Title.

At the Close of Escrow, the County shall deliver title to the leasehold interest in the Property and the fee interest in the Existing Improvements free and clear of all liens, encumbrances, clouds and conditions, rights of occupancy or possession, except those set forth in the Title Report.

Section 3.5 Condition of the PropertyThe Property and the Existing Improvements shall be conveyed to the Developer in their current condition with all improvements in place. Developer shall be solely responsible for demolition of the Existing Improvements. Notwithstanding the foregoing, the County shall vacate all of the buildings located on the Property on or before the date set forth in the Development Schedule.

(b) In fulfillment of the purposes of Health and Safety Code Section 25359.7(a), to the County's Current Actual Knowledge, no release of Hazardous Materials has come to be located on or beneath the Property, except as previously disclosed by the County to the Developer. During the Negotiating Period, as defined in the ENA, the Developer completed all due diligence activities, including but not limited to a physical adequacy determination of the Property and the Existing Improvements, and may not terminate this Agreement as a result of the purported physical unsuitability of the Property. As used in this Agreement, the phrase "to the County's Current Actual Knowledge" and words of similar import shall mean the actual knowledge of Kimberly Gasaway, on behalf of the County, as of the Effective Date, without any duty of separate inquiry and investigation. The County represents and warrants that Kimberly Gasaway is that person affiliated with the County most knowledgeable regarding the ownership and operation of the Property and the Existing Improvements. Developer hereby agrees that the foregoing person shall not have or incur any personal liability for the breach of any representation or warranty in this Agreement, and that Developer's sole remedy for any such breach shall be against the County.

(c) <u>"AS IS" CONVEYANCE</u>. **EXCEPT AS SET FORTH ABOVE, THE DEVELOPER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT THE COUNTY IS CONVEYING AND THE DEVELOPER IS ACCEPTING THE LEASEHOLD INTEREST IN THE PROPERTY AND THE FEE INTEREST IN THE EXISTING IMPROVEMENTS ON AN "AS IS WITH ALL FAULTS" BASIS AND THAT THE DEVELOPER AND THE DEVELOPER AFFILIATES ARE NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS (EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT) OR IMPLIED, FROM THE COUNTY AS TO ANY MATTERS CONCERNING THE PROPERTY OR THE EXISTING IMPROVEMENTS, INCLUDING WITHOUT LIMITATION: (A) THE QUALITY, NATURE, ADEQUACY AND PHYSICAL CONDITION OF THE PROPERTY OR THE EXISTING IMPROVEMENTS (INCLUDING, WITHOUT LIMITATION, TOPOGRAPHY, CLIMATE, AIR, WATER RIGHTS, WATER, GAS, ELECTRICITY, UTILITY SERVICES, GRADING, DRAINAGE, SEWERS, ACCESS TO PUBLIC ROADS AND RELATED CONDITIONS); (B) THE QUALITY, NATURE, ADEQUACY, AND PHYSICAL CONDITION OF SOILS, GEOLOGY AND GROUNDWATER; (C) THE DEVELOPMENT POTENTIAL OF THE PROPERTY, AND THE PROPERTY'S USE, HABITABILITY, MERCHANTABILITY, OR FITNESS, SUITABILITY, VALUE OR ADEQUACY OF THE PROPERTY FOR ANY PARTICULAR PURPOSE; (D) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS ON, UNDER OR ABOUT THE ADJOINING OR NEIGHBORING PROPERTY; AND (E) THE CONDITION OF TITLE TO THE PROPERTY OR THE EXISTING IMPROVEMENTS. THE DEVELOPER AFFIRMS THAT THE DEVELOPER HAS NOT RELIED ON THE SKILL OR JUDGMENT OF THE COUNTY OR ANY OF ITS RESPECTIVE AGENTS, EMPLOYEES OR CONTRACTORS TO SELECT OR FURNISH THE PROPERTY OR THE EXISTING IMPROVEMENTS FOR ANY PARTICULAR PURPOSE, AND THAT THE COUNTY MAKES NO WARRANTY THAT THE PROPERTY OR THE EXISTING IMPROVEMENTS ARE FIT FOR ANY PARTICULAR PURPOSE. THE DEVELOPER ACKNOWLEDGES THAT IT SHALL USE ITS INDEPENDENT JUDGMENT AND MAKE ITS OWN DETERMINATION AS TO THE SCOPE AND BREADTH OF ITS DUE DILIGENCE INVESTIGATION WHICH IT SHALL MAKE RELATIVE TO THE PROPERTY AND THE EXISTING IMPROVEMENTS AND SHALL RELY UPON ITS OWN INVESTIGATION OF THE PHYSICAL, ENVIRONMENTAL, ECONOMIC AND LEGAL CONDITION OF THE PROPERTY AND EXISTING IMPROVEMENTS (INCLUDING, WITHOUT LIMITATION, WHETHER THE PROPERTY IS LOCATED IN ANY AREA WHICH IS DESIGNATED AS A SPECIAL FLOOD HAZARD AREA, DAM FAILURE INUNDATION AREA, EARTHQUAKE FAULT ZONE, SEISMIC HAZARD ZONE, HIGH FIRE SEVERITY AREA OR WILDLAND FIRE AREA, BY ANY FEDERAL, STATE OR LOCAL AGENCY). THE DEVELOPER UNDERTAKES AND ASSUMES ALL RISKS ASSOCIATED WITH ALL MATTERS PERTAINING TO THE PROPERTY'S LOCATION IN ANY AREA DESIGNATED AS A SPECIAL FLOOD HAZARD AREA, DAM FAILURE INUNDATION AREA, EARTHQUAKE FAULT ZONE, SEISMIC HAZARD ZONE, HIGH FIRE SEVERITY AREA OR WILDLAND FIRE AREA, BY ANY FEDERAL, STATE OR LOCAL AGENCY.**

(d) Survival. The terms and conditions of this Section 3.5 shall expressly survive the Close of Escrow, shall not merge with the provisions of the Ground Lease, or any other closing documents and shall be deemed to be incorporated by reference into the Ground Lease. The County is not liable or bound in any manner by any oral or written statements, representations or information pertaining to the Property or the Existing Improvements furnished by any contractor, agent, employee, servant, or other person. The Developer acknowledges that the lease payments reflect the "as is" nature of this transaction and any faults, liabilities, defects, or other adverse matters that may be associated with the Property or the Existing Improvements. The Developer has fully reviewed the disclaimers and waivers set forth in this Agreement with the Developer's counsel and understand the significance and effect thereof.

(e) Acknowledgment. The Developer acknowledges and agrees that (i) to the extent required to be operative, the disclaimers of warranties contained in Section 3.5 hereof are "conspicuous" disclaimers for purposes of all applicable laws and other legal requirements, and (ii) the disclaimers and other agreements set forth in such sections are an integral part of this Agreement, that the Ground Lease has been adjusted to reflect the same and that the County would not have agreed to convey the Property and the Existing Improvements to the Developer pursuant to the Ground Lease without the disclaimers and other agreements set forth in this Section.

(f) Developer's Release of the County. Effective as of the Close of Escrow, the Developer, on behalf of itself and anyone claiming by, through or under the Developer hereby waives its right to recover from and fully and irrevocably releases the County and its Board of Supervisors, employees, and agents (the "Released Parties") from any and all claims, responsibility and/or liability that the Developer may have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to (i) the condition (including any construction defects, errors, omissions or other conditions, latent or otherwise), valuation, salability or utility of the Property and the Existing Improvements, or its suitability for any purpose whatsoever, (ii) any presence of Hazardous Materials, and (iii) any information furnished by the Released Parties under or in connection with this Agreement.

(g) Scope of Release. The release set forth in Section 3.5(f) hereof includes claims of which the Developer is presently unaware or which the Developer does not presently suspect to exist which, if known by the Developer, would materially affect the Developer's release of the Released Parties. The Developer specifically waives the provision of any statute or principle of law that provides otherwise. In this connection and to the extent permitted by law, the Developer agrees, represents and warrants that the Developer realizes and acknowledges that factual matters now unknown to the Developer may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and the Developer further agrees, represents and warrants that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that the Developer nevertheless hereby intends to release, discharge and acquit the County from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses. Accordingly, the Developer, on behalf of itself and anyone claiming by, through or under the Developer, hereby assumes the above-mentioned risks and hereby expressly waives any right the Developer and anyone claiming by, through or under the Developer, may have under Section 1542 of the California Civil Code, which reads as follows:

> **"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 se[illegible]he debtor or released party."**
>
> **Developer's Initials:** ______ ______

Notwithstanding the foregoing, this release shall not apply to, nor shall the County be released from, the County's actual fraud or intentional misrepresentation.

Section 3.6 Developer's Conditions of Closing.

The Developer's obligation to proceed with the Close of Escrow is subject to the fulfillment or waiver by the Developer of each and all of the conditions precedent described below (the "Developer's Conditions Precedent"), which are solely for the benefit of the Developer, and which shall be fulfilled or waived by the time periods provided for herein, and/or the time periods set forth in the Development Schedule, or if no time period is provided, prior to the Close of Escrow. Any condition not specifically waived prior to Close of Escrow shall be deemed waived upon the Close of Escrow:

(1) No Default. Prior to the Close of Escrow, the County has not committed and failed to cure any defaults in any of its obligations under the terms of this Agreement and all representations and warranties of the County contained herein shall be true and correct in all material respects.

(2) Execution of Documents. The County shall have executed, and as necessary for recordation, shall have had acknowledged, the Ground Lease, the Quitclaim Deed and any other documents required hereunder, and shall have delivered such documents into Escrow.

(3) Payment of Closing Costs. Prior to the Close of Escrow, County shall have paid all required costs of such Closing into Escrow in accordance with this Agreement.

(4) Title Policy. The Title Company shall, upon payment of Title Company's regularly scheduled premium, have agreed to issue the title policy for the Property in a form approved by Developer and its financing partners.

(5) Relocation. The County shall have vacated the Property.

(6) County Financing Commitments. The County and the Developer shall have executed the Predevelopment Loan Documents, and all conditions precedent to the funding of the Predevelopment Loan shall have been satisfied such that the County is ready to disburse funds thereunder. Additionally, the County Board of Supervisors shall have approved a resolution or resolutions committing the funds necessary for the Gap Loan.

(7) Approvals for Demolition of Existing Improvements. The Developer shall have received all permits and approvals necessary to commence the demolition of the Existing Improvements, including, but not limited to any approvals necessary from the County Department of Environmental Health.

Section 3.7 Costs of Escrow and Close of Escrow.

Ad valorem taxes, if any, shall be prorated as of the Close of Escrow. The lien of any bond or assessment shall be assumed by the Developer and assessments payable thereon shall be prorated as of the date of conveyance. The County shall pay any delinquent ad valorem taxes and any amounts owing for delinquent bonds and assessments as of the date of conveyance. The Developer shall bear the costs of any owner's title insurance policy desired by the Developer. All other costs of escrow (including the Title Company's fee) shall be evenly borne by the Developer and the County. The costs borne by the Developer shall be in addition to the rent paid by the Developer to the County pursuant to the Ground Lease.

ARTICLE 4.

DEVELOPER CONTINUING OBLIGATIONS

Section 4.1 Financing Plan.

The Developer's preliminary plan for the financing of each Phase of the Development ("Preliminary Financing Plan") is attached hereto as Exhibit F and incorporated herein. The Preliminary Financing Plan includes financing from private construction and permanent loans, 4%/9% Low Income Housing Tax Credits and receipt of equity investor funds, City of Oakland Measure U funds, California Department of Housing and Community Development funds, the Predevelopment Loan and the Gap Loan, and potential Developer deferral of a portion of its development fee. The Parties acknowledge that forms of funding for each Phase as set forth in the Preliminary Financing Plan are available through competitive funding programs, and that the Developer or Developer Affiliate may not be successful in actually obtaining one or more of such forms of financing. The Parties anticipate that the types and amounts of financing for each Phase of the Development will change and be refined during the period between the Effective Date and the commencement of construction of each Phase. Accordingly, the Developer shall provide the County with quarterly progress reports on funding sources, including the projected application dates and the expected funding to be available. If any funding source currently projected in the Preliminary Financing Plan is no longer available or does not become available as projected, the Developer shall, within thirty (30) days of receipt of such information notify the County and shall as part of its next quarterly progress report provide an updated Preliminary Financing Plan showing alternative funding sources.

No later than the date set forth in the Development Schedule for each Phase, the Developer shall submit to the County an updated and revised financing plan ("Final Financing Plan") for such Phase which shall include a development budget, updated amounts for each of the foregoing funding sources and any other funding sources obtained, and copies of written commitments for each funding source.

The County shall approve or disapprove any revised Preliminary Financing Plan or the Final Financing Plan for each Phase in writing within thirty (30) days after the County's receipt. If the revised Preliminary Financing Plan or the Final Financing Plan is disapproved by the County, the Developer shall have thirty (30) days from the date of the Developer's receipt of the County's notice of disapproval to submit a revised Final Financing Plan for that particular Phase. In the event the County disapproves the second submission, the County and the Developer agree to negotiate in good faith to develop a submission that is reasonably acceptable to both the County and the Developer within a reasonable period of time. Immediately prior to the commencement of construction for each Phase, the Developer shall provide the County with an update to the Final Financing Plan for that Phase ("Closing Financing Plan") that will include the final amounts of all funding sources and uses and will replace the Final Financing Plan for that Phase. All financing necessary for the construction of each Phase of the Development, as approved by the County in the Final Financing Plan for that Phase (not including permanent financing) and updated in the Closing Financing Plan, shall be closed by the Developer prior to, or simultaneously with, the commencement of construction of the applicable Phase of the Development in accordance with the terms of the Ground Lease.

The County shall cooperate with the Developer with respect to applications for public funding for any Phase, including, without limitation, funding from HUD, HCD, TCAC, CDLAC, City of Oakland Measure U funds, California Department of Housing and Community Development funds, Bay Area Housing Finance Agency funds (collectively, the "Funding Sources"), provided, however, the County shall not be required to incur any costs with respect to such cooperation.

The Developer shall not rely on the County's approval of the Final Financing Plan or the Closing Financing Plan as a representation of any kind, including but not limited to the business advantage of the terms of any of the Financing or any documentation thereof. The County's approval shall merely constitute satisfaction of the condition set forth in this Section.

Section 4.2 Community Engagement Plan.

During the Term of this Agreement the Developer shall continue to implement the Community Engagement Plan, as such Community Engagement Plan may be amended from time to time by mutual agreement of the Parties.

ARTICLE 5.
ASSIGNMENT AND TRANSFERS

Section 5.1 Definitions.

As used in this Article 5, the term "Transfer" means:

(a) Any total or partial sale, assignment or conveyance, or any trust or power, or any transfer in any other mode or form, of or with respect to this Agreement or of the Developer's or Developer Affiliate's interest in the Property or the Existing Improvements or any part thereof or any interest therein or any contract or agreement to do any of the same; or

(b) Any total or partial sale, assignment, or conveyance, of any trust or power, or any transfer in any other mode or form, of or with respect to any ownership interest in Developer,

(c) Any merger, consolidation, sale, or lease of all or substantially all of the assets of Developer; or

(d) The leasing of part or all of the Property or the Existing Improvements thereon.

Section 5.2 Purpose of Restrictions on Transfer.

This Agreement is entered into solely for the purpose of the development and operation of the Development and its subsequent use in accordance with the terms hereof and the terms of the County Documents. The Developer recognizes that the qualifications and identity of Developer are of particular concern to the County, in view of:

(a) The importance of the redevelopment of the Property to the general welfare of the community; and

(b) The public assistance and other public aids that have been made available by law and by the government for the purpose of making such redevelopment possible; and

(c) The reliance by the County upon the unique qualifications and ability of the Developer to serve as the catalyst for development of the Property and upon the continuing interest which the Developer will have in the Property to assure the quality of the use, operation and maintenance deemed critical by the County in the development of the Property; and

(d) The fact that a change in ownership or control of the Developer as owner of the Property, or of a substantial part thereof, or any other act or transaction involving or resulting in a significant change in ownership or with respect to the identity of the parties in control of the Developer or the degree thereof is for practical purposes a transfer or disposition of the Property; and

(e) The fact that the Property is being disposed of by the County pursuant to Government Code Section 25539.4 which requires that the Property be used for affordable housing; and

(f) The fact that the Property is not to be acquired or used for speculation, but only for development and operation by the Developer in accordance with the Agreement; and

(g) The importance to the County and the community of the standards of use, operation, and maintenance of the Property.

The Developer further recognizes that it is because of such qualifications and identity that the County is entering into this Agreement with the Developer and that Transfers are permitted only as provided in this Agreement.

Section 5.3 Prohibited Transfers.

The limitations on Transfers set forth in this Article shall apply throughout the Term. Except as expressly permitted in this Agreement, the Developer represents and agrees that the Developer has not made or created, and will not make or create or suffer to be made or created, any Transfer, either voluntarily or by operation of law without the prior written approval of the County.

Any Transfer made in contravention of this Section 5.3 shall be void and shall be deemed to be a Default under this Agreement whether or not the Developer knew of or participated in such Transfer.

Notwithstanding anything to the contrary in this Section 5.3, the following Transfers related to any Phase are hereby approved by the County.

(a) Any Transfer creating a security financing interest permitted pursuant to the Final Financing Plan.

(b) Any Transfer directly resulting from the foreclosure of a security financing interest or the granting of a deed in lieu of foreclosure of a security financing interest or as otherwise permitted under this Agreement.

(c) The leasing of residential units within a Phase in accordance with the Regulatory Agreement.

(d) The granting of utility easements or permits to facilitate the development of the Development, provided however any easements affecting the County's fee interest in the Property shall require the County's consent.

(e) A Transfer of a limited partnership interest in the Developer or Developer Affiliate to a tax credit investor (the "Investor"), or to an affiliate of the Investor (provided such affiliate provides documentation reasonably acceptable to the County that the affiliate has sufficient financial capability to provide the capital contributions set forth in the Final Financing Plan) and future transfers of such interest provided that: (i) the Developer or Developer Affiliate's partnership agreement provides for capital contributions of the Investor consistent with Final Financing Plan and is first approved by the County in its reasonable discretion; (ii) all documents associated with the tax credit syndication of the Phase are submitted to the County for approval prior to execution, which approval shall not be unreasonably withheld; and (iii) in subsequent transfers the Investor (or an affiliate of the Investor reasonably acceptable to the County) remains liable for all unpaid capital contributions. In the event the general partner of the Developer or Developer Affiliate is removed by the limited partner of the Developer or Developer Affiliate for cause following default under the Developer's or Developer Affiliate's partnership agreement, the County hereby approves the transfer of the general partner interest to an entity that is selected by the limited partner and approved in advance and in writing by the County, which approval shall not be unreasonably withheld.

(f) Transfer to a Developer Affiliate. The County also hereby approves Transfer of any Phase to a Developer Affiliate, provided the Developer has provided evidence to the County that the proposed transferee meets the requirements for a Developer Affiliate.

Section 5.4 Other Transfers with County Consent.

The County may, in its sole discretion, approve in writing other Transfers as requested by the Developer. In connection with such request, the Developer shall submit to the County for review all instruments and other legal documents proposed to affect any such Transfer and all other documents as reasonably requested by the County to determine the qualifications and identity of the proposed transferee. If a requested Transfer is approved by the County such approval shall be indicated to the Developer in writing. Such approval shall be granted or denied by the County within thirty (30) days of receipt by the County of all materials required by this Section 5.4.

No Transfer of this Agreement permitted pursuant to Section 5.4 shall be effective unless, at the time of the Transfer, the person or entity to which such Transfer is made, by an instrument in writing approved as to form by the County Counsel and in form recordable among the Official Records, shall expressly assume the obligations of the Developer under the County Documents and agree to be subject to the conditions and restrictions to which the Developer is subject arising under the County Documents, to the fullest extent that such obligations are applicable to the particular portion of or interest in the Property and Improvements conveyed in such Transfer.

In the absence of specific written agreement by the County, no such Transfer, assignment or approval by the County shall be deemed to relieve the Developer or any other party from any obligations under this Agreement.

ARTICLE 6.
DEFAULT AND REMEDIES

Section 6.1 General Applicability.

The provisions of this Article 6 shall govern the Parties' remedies for breach or Default under this Agreement.

Section 6.2 No Fault of Parties.

The following events constitute a basis for a Party to terminate this Agreement without the fault of the others:

(a) The County, despite good faith and diligent efforts, is unable to convey the leasehold interest in the Property and the fee interest in the Existing Improvements to the Developer and the Developer is otherwise entitled to such conveyance.

(b) Any of the conditions precedent to the conveyance of the leasehold interest in the Property and the fee interest in the Existing Improvements prove to be commercially infeasible despite the Developer's good faith and diligent efforts and the County is otherwise ready and able to convey the leasehold interest in the Property and the Existing Improvements to the Developer.

Upon the happening of the above-described event and at the election of either Party, this Agreement may be terminated by written notice to the other Party. After such termination of this

Agreement, no Party shall have any rights against or liability to the others under this Agreement, except that the indemnification provisions of this Agreement shall survive such termination and remain in full force and effect.

Section 6.3 Events of Default.

(a) Except as to the events constituting a basis for termination under Section 6.2, a Party's violation of any material term of this Agreement or failure by any Party to perform any material obligation of this Agreement shall constitute a default ("Default").

(b) The following shall additionally constitute a Developer Event of Default:

(1) A Transfer occurs, either voluntarily or involuntarily, in violation of Article 5; or

(2) Any representation or warranty contained in this Agreement or in any application, financial statement, certificate, or report submitted to the County in connection with this Agreement proves to have been incorrect in any material and adverse respect when made; or

(3) A court having jurisdiction shall have made or entered any decree or order (i) adjudging the Developer, to be bankrupt or insolvent, (ii) approving as properly filed a petition seeking reorganization of the Developer, or seeking any arrangement for the Developer, under the bankruptcy law or any other applicable debtor's relief law or statute of the United States or any state or other jurisdiction, (iii) appointing a receiver, trustee, liquidator, or assignee of the Developer, in bankruptcy or insolvency or for any of their properties, or (iv) directing the winding up or liquidation of the Developer, if any such decree or order described in clauses (i) to (iv), inclusive, shall have continued unstayed or undischarged for a period of ninety (90) days unless a lesser time period is permitted for cure under any other mortgage on the Property, in which event such lesser time period will apply under this subsection as well; or the Developer, shall have admitted in writing its inability to pay its debts as they fall due or shall have voluntarily submitted to or filed a petition seeking any decree or order of the nature described in clauses (i) to (iv), inclusive; or

(4) The Developer shall have assigned its assets for the benefit of its creditors or suffered a sequestration or attachment of or execution on any substantial part of its property, unless the property so assigned, sequestered, attached or executed upon shall have been returned or released within ninety (90) days after such event (unless a lesser time period is permitted for cure under any other mortgage on the Property, in which event such lesser time period shall apply under this subsection as well) or prior to sooner sale pursuant to such sequestration, attachment, or execution. In the event that the Developer, is diligently working to obtain a return or release of the Property and the County's interests under the County Documents are not immediately threatened, in the County's reasonable business judgment, the County may elect not to declare a Default under this subsection; or

(5) The Developer, shall have voluntarily suspended its business or, the Developer shall have been dissolved or terminated; or

(6) The Developer shall fail to meet any of its obligations pursuant to this Agreement.

(c) Upon the happening of any of the above-described events, the non-defaulting Party shall first notify the other Party in writing of the purported breach, failure, or act above described, giving the defaulting Party sixty (60) days from receipt of such notice to cure or, if such cure cannot be accomplished within sixty (60) days, to commence to cure such breach, failure, or act. In the event the defaulting Party fails to cure within said sixty (60) days, or, if the breach or failure is of such a nature that it cannot be cured within sixty (60) days, the non-defaulting Party fails to commence to cure within such sixty (60) days and thereafter diligently complete such cure within a reasonable time thereafter but in no event later than one hundred twenty (120) days, then the non-defaulting Party shall be afforded the remedies described in Section 6.4 below.

(d) Notwithstanding the notice and cure periods set forth above, if a lesser cure period or notice requirement is allowed before a default occurs under any other County Document (including, but not limited to the Ground Lease), such periods shall control in this Agreement as well.

Section 6.4 Remedies for Default.

County and Developer agree that, in the event of a Default or breach under this Agreement, following the expiration of the notice and cure periods described in Section 6.3, the only remedies available to the non-breaching Party shall be those listed in this Section 6.4, as follows:

(a) Action for Specific Performance. Upon a Default, the non-defaulting Party may prosecute an action for specific performance.

(b) Action for Damages. Prosecute an action for damages, provided however, any action for damages shall be limited to actual damages and in no event shall any party be entitled to consequential damages.

(c) Termination of this Agreement. Upon a Default, the non-defaulting Party may terminate this Agreement by written notice to the defaulting Party, provided, however, that the remedies pursuant to this Article 6 or any other County Document and the indemnification provisions of this Agreement shall survive such termination.

(d) Construction Plans and Assignment of Documents. If the Agreement is terminated pursuant to subsection (c) above, the Developer, at no cost to the County, shall deliver to the County copies of any and all Construction Plans and studies in the Developer's possession, as provided in the Assignment of Documents.

Section 6.5 Waiver of Lis Pendens.

It is expressly understood and agreed by the Parties that no lis pendens shall be filed against any portion of the Property with respect to this Agreement or any dispute or act arising from it.

Section 6.6 Remedies Cumulative.

No right, power, or remedy given by the terms of this Agreement, or the County Documents is intended to be exclusive of any other right, power, or remedy; and each and every such right, power, or remedy shall be cumulative and in addition to every other right, power, or remedy given by the terms of any such instrument, or by any statute or otherwise. Neither the failure nor any delay to exercise any such rights and remedies shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise of such right or remedy, or any other right or remedy.

Section 6.7 Waiver of Terms and Conditions.

No waiver of any Default or breach by the Developer hereunder shall be implied from any omission by the County to take action on account of such Default if such Default persists or is repeated, and no express waiver shall affect any Default other than the Default specified in the waiver, and such waiver shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition. The consent or approval by the County to, or of, any act by the Developer requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act. The exercise of any right, power, or remedy shall in no event constitute a cure or a waiver of any Default under this Agreement or the applicable County Documents, nor shall it invalidate any act done pursuant to notice of Default, or prejudice the County in the exercise of any right, power, or remedy hereunder or under the applicable County Documents, unless in the exercise of any such right, power, or remedy all obligations of the Developer to the County under the applicable County Documents are paid and discharged in full.

ARTICLE 7.
GENERAL PROVISIONS

Section 7.1 Notices, Demands and Communications.

Formal notices, demands, and communications between the County and the Developer shall be sufficiently given if and shall not be deemed given unless dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered by facsimile with a copy delivered the following day by reputable overnight delivery service, or delivered personally, to the principal office of the Parties as follows:

County:

County of Alameda
General Services Agency
Attention: Director
1401 Lakeside Drive, 10th Floor
Oakland, Ca 94612

With copy to:

County of Alameda
Community Development Agency
224 West Winton
Hayward, CA 94544

Attn: Director

County of Alameda
County Counsel
1221 Oak Street, Suite 450
Oakland, CA 94612

Developer: c/o The Related Companies of California LLC
44 Montgomery Street, Suite 1310
San Francisco, California 94104
Attention: Ann Silverberg

With a copy to: c/o East Bay Asian Local Development Corporation
1825 San Pablo Avenue, Suite 200
Oakland, California 94612
Attention: Kelly Drumm

And to: Bocarsly, Emden, Cowan, Esmail and Arndt, LLP
633 West Fifth Street Suite 5880
Los Angeles, CA 90071
Attn: Nicole Deddens

Such written notices, demands, and communications may be sent in the same manner to such other addresses as the affected party may from time to time designate by mail as provided in this Section 7.1. Telephone numbers are only provided for the Parties' convenience, and formal notices may not be transmitted by telephone. In addition, any notice or demand from the County to the Developer may be delivered by e-mail to the Developer's e-mail set forth above; provided, however, in no event shall the Developer deliver any formal notice or demand to the County by e-mail.

Section 7.2 Non-Liability of County Officials, Employees and Agents.

No member, official, employee or agent of the County shall be personally liable to the Developer, or any successor in interest, in the event of any Default or breach by the County for any amount which may become due to the Developer or successor or on any obligation under the terms of this Agreement.

Section 7.3 Forced Delay.

In addition to specific provisions of this Agreement, performance by either Party shall not be deemed to be in Default only if such delay or Default is due solely to: war; insurrection; riots; floods; earthquakes; fires; casualties; acts of terrorism or the public enemy; severe and unanticipated weather conditions; litigation filed by third parties concerning or arising out of this Agreement; or court order. An extension of time for cause will be deemed granted if notice by the Party claiming such extension is sent to the other Party within ten (10) days from the date the Party seeking the extension first discovered the cause and such extension of time is not rejected in writing by the other Party within ten (10) days after receipt of the notice. In no event shall the cumulative delays exceed one hundred twenty (120) days, unless otherwise agreed to by the Parties in writing.

Section 7.4 Inspection of Books and Records.

Upon request, the Developer shall permit the County to inspect at reasonable times and on a confidential basis those books, records, and all other documents of the Developer necessary to determine Developer's compliance with the terms of this Agreement.

Section 7.5 Provision Not Merged with Ground Lease.

None of the provisions of this Agreement are intended to or shall be merged by the Ground Lease or Quitclaim Deed transferring title to any interest in the real property which is the subject of this Agreement from County to Developer or any successor in interest, and any such Ground Lease or Quitclaim Deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

Section 7.6 Title of Parts and Sections.

Any titles of the articles, sections or subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any part of its provision.

Section 7.7 General Indemnification.

The Developer agrees to indemnify, protect, hold harmless and defend (with counsel reasonably selected by the County) the County, and its supervisors, employees, agents, and volunteers from any and all suits, actions, claims, losses, liabilities, damages, injuries, causes of action, costs, and expenses of any kind, whether actual or alleged, including without limitation, court costs, reasonable attorneys' fees, and other litigation expenses, demands, judgments and liens arising out of, pertaining to, or relating to, directly or indirectly, in whole or in part, the Developer's performance or non-performance under any of the County Documents, or any other agreement executed pursuant to the County Documents, or arising out of acts or omissions of any of Developer's contractors, subcontractors, or persons claiming under any of the aforesaid, except as directly caused by the County's willful misconduct or gross negligence. The provisions of this section shall survive expiration of the Term or other termination of this Agreement and shall remain in full force and effect and are not limited by the amount of insurance as may be required.

Section 7.8 Applicable Law.

This Agreement shall be interpreted under and pursuant to the laws of the State of California without regard to choice of law principles.

Section 7.9 No Commissions.

The County shall not be liable for any real estate commissions or brokerage fees that may arise from this Agreement. The County represents that it has engaged no broker, agent, or finder in connection with this transaction, and the Developer shall defend and hold the County harmless from any claims by any broker, agent or finder retained by the Developer. The provisions of this section shall survive expiration of the Term or other termination of this Agreement, and shall remain in full force and effect.

Section 7.10 Severability.

If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

Section 7.11 Legal Actions.

Any legal action commenced to interpret or to enforce the terms of this Agreement shall be filed in the Superior Court of the County of Alameda.

Section 7.12 Binding Upon Successors.

This Agreement shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors in interest and assigns of each of the Parties hereto except that there shall be no Transfer of any interest by any of the Parties hereto except pursuant to the terms of this Agreement. Any reference in this Agreement to a specifically named Party shall be deemed to apply to any successor, heir, administrator, executor or assign of such Party who has acquired an interest in compliance with the terms of this Agreement, or under law.

The covenants and restrictions set forth in this Agreement shall run with the land, and shall bind all successors in title to the Property. Each and every contract, deed, or other instrument hereafter executed covering or conveying any interest in the Property shall be held conclusively to have been executed, delivered, and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed, or other instrument, unless the County expressly releases the leasehold interest in the Property from the requirements of this Agreement.

Section 7.13 Parties Not Co-Venturers.

Nothing in this Agreement is intended to or does establish the Parties as partners, co-venturers, or principal and agent with one another.

Section 7.14 No Third-Party Beneficiaries.

This Agreement and the County Documents are made and entered into solely for the benefit of the County and the Developer and no other person shall have any right of action under or by reason of this Agreement or the County Documents.

Section 7.15 Time of the Essence.

In all matters under this Agreement, the Parties agree that time is of the essence.

Section 7.16 Action by the County.

Except as may be otherwise specifically provided in this Agreement or another applicable County Document, whenever any approval, notice, direction, finding, consent, request, or other action by the County is required or permitted under this Agreement or another applicable County Document that is in substantial compliance with the terms of this Agreement, including, but not limited to, any approval of a proposed Transfer pursuant to Article 4, such action may be given, made, or taken by the County Administrator, or by any person who shall have been designated in writing to the Developer by the County Administrator, without further approval by the Board of Supervisors. Any such action shall be in writing.

Section 7.17 Operating Memoranda: Implementation Agreements.

(a) The Parties acknowledge that the provisions of this Agreement require a close degree of cooperation and that new information and future events may demonstrate that changes are appropriate with respect to the details of performance of the Parties under this Agreement. The Parties desire, therefore, to retain a certain degree of flexibility with respect to the details of performance for those items covered in general terms under this Agreement. If and when, from time to time during the Term of this Agreement, the Parties find that refinements or adjustments are necessary, such refinements or adjustments shall be made through Operating Memoranda or Implementation Agreements approved by the Parties which, after execution, shall be attached to this Agreement as addenda and become a part hereof.

(b) Operating Memoranda or Implementation Agreements may be executed on the County's behalf by the County Administrator. In the event a particular subject requires notice or hearing, or any significant modification is proposed to the terms of this Agreement, the matter shall be processed as an amendment to this Agreement and must be approved by the Board of Supervisors.

Section 7.18 Representation and Warranties of Developer.

The Developer hereby represents and warrants to the County as follows:

(a) Organization. The Developer is a duly organized, validly existing limited partnership, and is in good standing under the laws of the State of California and has the power and authority to own its property and carry on its business as now being conducted.

(b) Authority of Developer. The Developer has full power and authority to execute and deliver this Agreement, or to be executed and delivered, pursuant to this Agreement, and to perform and observe the terms and provisions of all of the above.

(c) Authority of Persons Executing Documents. This Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement have been executed and delivered by persons who are duly authorized to execute and deliver the same for and on behalf of Developer, and all actions required under the Developer's organizational documents and applicable governing law for the authorization, execution, delivery and performance of this Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement, have been duly taken.

(d) Valid Binding Agreements. This Agreement and all other documents or instruments which have been executed and delivered pursuant to or in connection with this Agreement constitute or, if not yet executed or delivered, will when so executed and delivered constitute, legal, valid and binding obligations of the Developer enforceable against it in accordance with their respective terms.

(e) No Breach of Law or Agreement. Neither the execution nor delivery of this Agreement or of any other documents or instruments executed and delivered, or to be executed or delivered, pursuant to this Agreement, nor the performance of any provision, condition, covenant or other term hereof or thereof, will conflict with or result in a breach of any statute, rule or regulation, or any judgment, decree or order of any court, board, commission or agency whatsoever binding on the Developer, or any provision of the organizational documents of the Developer, or will conflict with or constitute a breach of or a default under any agreement to which the Developer is a party, or will result in the creation or imposition of any lien upon any assets or property of the Developer, other than liens established pursuant hereto.

(f) Compliance With Laws; Consents and Approvals. The construction of the Improvements will comply with all applicable laws, ordinances, rules and regulations of federal, state and local governments and agencies and with all applicable directions, rules and regulations of the fire marshal, health officer, building inspector and other officers of any such government or agency.

(g) Pending Proceedings. The Developer is not in default under any law or regulation or under any order of any court, board, commission or agency whatsoever, and there are no claims, actions, suits or proceedings pending or, to the knowledge of the Developer, threatened against or affecting the Developer, at law or in equity, before or by any court, board, commission or agency whatsoever which might, if determined adversely to the Developer, materially affect the Developer's ability to develop the Improvements.

(h) Financial Statements. The financial statements of the Developer, and other financial data and information furnished by, or on behalf of the Developer, to the County Parties fairly present the information contained therein. As of the Effective Date, there has not been any adverse, material change in the financial condition of the Developer from that shown by such financial statements and other data and information.

(i) Sufficient Funds. Upon the acquisition of the leasehold interest in each Phase, the Developer Affiliate will hold sufficient funds or binding commitments for sufficient funds to obtain the leasehold interest in Phase of the Property, and complete the construction of the Improvements in such Phase in accordance with this Agreement.

Section 7.19 Conflict Among County Documents.

Unless otherwise provided in a particular County Document, in the event of a conflict between the terms of this Agreement and any other County Document, the terms of this Agreement shall control to the extent of such conflict until such time as the Ground Lease is effective, after which the Ground Lease shall control.

Section 7.20 Entry by the County.

Subject to the provisions of the Ground Lease, the Developer shall permit the County, through its officers, agents, or employees, at all reasonable times to enter into the Property (a) to inspect the work of construction to determine that the same is in conformity with the requirements of this Agreement, and (b), following completion of construction, to inspect the ongoing operation and management of the Property and Improvements to determine that the same is in conformance with the requirements of this Agreement. The Developer acknowledges that the County is under no obligation to supervise, inspect, or inform the Developer of the progress of construction, or operations and the Developer shall not rely upon the County therefor. Any inspection by the County during the construction is entirely for its purposes in determining whether the Developer is in compliance with this Agreement and is not for the purpose of determining or informing the Developer of the quality or suitability of construction. The Developer shall rely entirely upon its own supervision and inspection in determining the quality and suitability of the materials and work, and the performance of architects, subcontractors, and material suppliers.

Section 7.21 Entire Understanding of the Parties.

This Agreement, in conjunction with the County Documents, constitutes the entire understanding and agreement of the Parties with respect to the conveyance of the leasehold interest in the Property, and the development of the Improvements. The Parties further intend that this Agreement constitute the final and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial proceedings involving this Agreement. This Agreement shall not be construed as if it had been prepared by one of the Parties, but rather as if both Parties had prepared it. The Parties to this Agreement and their counsel have read and reviewed this Agreement and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party (including but not limited to Civil Code Section 1654 as may be amended from time to time) shall not apply to the interpretation of this Agreement.

Section 7.22 Counterparts; Multiple Originals.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original.

Remainder of Page Left Intentionally Blank

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

DEVELOPER:

JKL Building A Housing Partners, L.P.,
a California limited partnership

By: Related/JKL Building A Development Co., LLC, a California limited liability company, its administrative general partner

By: DocuSigned by: 8FF24101A7424E9...
Ann Silverberg, President

By: EBALDC JKL Building A Development Co., LLC, a California limited liability company, its managing general partner

By: East Bay Asian Local Development Corporation, a California nonprofit public benefit corporation, its manager

By: DocuSigned by: Janelle Chan 9902B0932BAA4DE...
Janelle Chan, Chief Executive Officer

COUNTY:

COUNTY OF ALAMEDA, a body corporate and politic and a subdivision of the State

By: DocuSigned by: Kimberly Gasaway 8D4CA131AA0B4C2...
Kimberly Gasaway, Director
General Services Agency

ATTEST:

By: ______________________
Clerk, Board of Supervisors

APPROVED AS TO FORM:

Donna Ziegler, County Counsel

By: Signed by: Andrew Massey 8DB0B016891F440...

Andrew Massey
Senior Deputy County Counsel

Note: Section 3.5 require the Developer's initials

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, BOUNDED BY FOURTH STREET, FIFTH STREET, FRANKLIN STREET AND BROADWAY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FRANKLIN STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET AND RUNNING THENCE ALONG SAID NORTHWESTERLY LINE OF FRANKLIN STREET NORTHEASTERLY 200.05 FEET TO AN INTERSECTION THEREOF WITH THE SOUTHWESTERLY LINE OF FIFTH STREET; THENCE ALONG SAID SOUTHWESTERLY LINE OF FIFTH STREET NORTHWESTERLY 300.30 FEET TO AN INTERSECTION THEREOF WITH THE SOUTHEASTERLY LINE OF BROADWAY; THENCE ALONG SAID SOUTHEASTERLY LINE SOUTHWESTERLY 200.05 FEET TO AN INTERSECTION THEREOF WITH THE AFORESAID NORTHEASTERLY LINE OF FOURTH STREET; THENCE ALONG SAID NORTHEASTERLY LINE SOUTHEASTERLY 300.30 FEET TO THE POINT OF COMMENCEMENT.

APN: 001-0139-001-00; (400/430 Broadway)

EXHIBIT B

DEVELOPMENT SCHEDULE

EXHIBIT B

DEVELOPMENT SCHEDULE

This Development Schedule summarizes the schedule for various activities under the Lease Disposition and Development Agreement (the "Agreement" or the "LDDA") and Ground Lease ("Lease) to which this exhibit is attached. Times for performance set forth in this Development Schedule are subject to Section 7.3 of the LDDA, and Section 13.4 of the Lease as each may be amended or otherwise revised in accordance with Section 7.17 and Section 7.18 of the LDDA and Sections 13.18 and 13.19 of the Lease. The description of items in this Development Schedule is meant to be descriptive only, and shall not be deemed to modify in any way the provisions of the LDDA or the Lease to which such items relate. Section references herein to the LDDA or the Lease are intended merely as an aid in relating this Development Schedule to other provisions of the LDDA and Lease and shall not be deemed to have any substantive effect.

Whenever this Development Schedule requires the submission of plans or other documents at a specific time, such plans or other documents, as submitted, shall be complete and adequate for review by the County, within the time set forth herein. Prior to the time set forth for each particular submission, the Developer shall consult with County staff, informally as necessary concerning such submission in order to assure that such submission will be complete and in a proper form within the time for submission set forth herein.

Action		Date
1.	Effective Date. The LDDA is executed by the Parties.	________ (the "Effective Date").
2.	Predevelopment Loan Documents. The County shall provide Developer with drafts of the Predevelopment Loan Documents.	Within 30 days of Effective Date.
3.	Demolition Financing. The Developer and the County entered into Predevelopment Loan Documents. [LDDA § 2.2]	Within 30 days of Developer's receipt of the complete set of Predevelopment Loan Documents
4.	Gap Loan Commitment. The County shall provide Developer with a Board of Supervisor resolution committing authorizing the Gap Loan	Within 30 days of Effective Date.
5.	Submittal of Demolition Plans for Existing Improvements. Developer shall submit the proposed demolition plans for County review in accordance with the LDDA. [LDDA § 2.3]	Within 30 days of the execution of the Predevelopment Loan Documents

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Action	Date
6. Application for Building Permit for demolition of Existing Improvements. The Developer shall apply to the City of Oakland for building permits for demolition of the Existing Improvements. LDDA § 2.3]	Within 30 days of the County's approval of the Demolition Plans
7. Initiation of Alameda County Environmental Health Review. Developer shall request an initial consultation with Alameda County Environmental Health staff.	Within 10 days of submission of the Demolition Plans to the County.
8. Construction Contract for demolition of Existing Improvements. The Developer shall submit the proposed construction contract to the County. [LDDA § 2.4]	Within 45 days of the County's receipt of the approved demolition permit plans
9. Construction Bonds for demolition of Existing Improvements. The Developer shall deliver the construction bonds to the County. [LDDA § 2.5]	At least fifteen (15) days prior to commencement of demolition activities
10. Building Permit for demolition of Existing Improvements. The Developer shall have received an Issue Ready Letter from the City of Oakland for the building permit for the demolition of the Existing Improvements. To obtain demolition and building permits from the City of Oakland, Alameda County Environmental Health Department must approve abatement and remediation activities. [LDDA § 2.3]	No later than twelve (12) months after the Effective Date, but in no event sooner than thirty (30) days after Developer's receipt of approval from the County's Environmental Health Department for the abatement and remediation activities.
11. Developer Insurance. The Developer shall provide the County all applicable insurance policies required by LDDA. [LDDA § 2.6]	No later than the Close of Escrow.
12. Close of Escrow. The closing for the recordation of the Memorandum of Ground Lease and Quitclaim Deed shall occur upon the satisfaction of the predisposition requirements in accordance with the LDDA. [LDDA §§ 3.2 and 3.6]	No later than eighteen (18) months after the Effective Date.
13. Commencement of demolition of Existing Improvements. The Developer shall commence the demolition of the Improvements.	No later than thirty (30) days following the Close of Escrow.

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Action	Date
14. Completion of demolition of Existing Improvements.	Within 18 months of commencement of demolition of Existing Improvements.
15. Submittal of Financing Plan for Phase 1. The Developer shall submit the Final Financing Plan. [LDDA § 4.1]	Within 90 days of receipt of an allocation of tax credits or tax exempt bonds.
16. Submittal of Construction Plans for Phase 1. Developer shall submit the proposed construction plans [Ground Lease § 4.2(b)]	At least eight (8) months prior to the closing of the Phase 1 construction loan
17. County Approval of the Construction Plans for Phase 1. The County shall either approve or disapprove of the Construction Plans in accordance with §4.2 of the Ground Lease. [Ground Lease § 4.2(b)]	Within thirty 30 days of receipt
18. Approval of Financing Plan for Phase 1. The County shall either approve or disapprove of the Final Financing Plan. [Ground Lease § 4.1]	Within 30 days of receipt
19. Application for Building Permit for Phase 1. The Developer shall apply for building permits for the improvements. To obtain building permits from the City of Oakland, Alameda County Environmental Health Department must approve abatement and remediation activities. [Ground Lease § 4.2(c)]	At least ninety (90) days prior to the closing of the Phase 1 construction loan
20. Construction Contract for Phase 1. The Developer shall submit the proposed construction contract based on approved Building Permit plans to the County. [Ground Lease § 4.2(d)]	At least fifteen (15) days prior to the closing of the Phase 1 construction loan
21. Construction Bonds for Phase 1. The Developer shall deliver the construction bonds to the County. [Ground Lease § 4.2(e)]	At least fifteen (15) days prior to the closing of the Phase 1 construction loan
22. Building Permit for Phase 1. The Developer shall have received an Issue Ready Letter issued by the City of Oakland for the building permit for the Improvements. [Ground Lease § 4.2(c)]	No later than the closing of the Phase 1 Construction Loan Closing
23. Closing of all Supplemental Financing for Phase 1. The Developer shall close on all Supplemental	No later than the Phase 1 Construction Loan Closing

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Action	Date
Financing as set forth in the Financing Plan. [Ground Lease § 4.1]	
24. Developer Insurance. The Developer shall provide the County all applicable insurance policies required by Ground Lease. [Ground Lease§ 8.1]	No later than the closing of the Phase 1 Construction Loan Closing.
25. Commencement of Construction for Phase 1. The Developer shall commence the construction of the Improvements. [Ground Lease § 4.12(f)]	No later than three (3) years from the Effective Date of the Lease or five (5) years from the Effective Date if the both one (1) year optional extensions are granted by County staff.
26. Submittal of Financing Plan for Phase 2. The Developer shall submit the Final Financing Plan. [Ground Lease § 4.1]	Within 90 days after the receipt of an award of tax credits/tax-exempt bonds
27. Submittal of Construction Plans for Phase 2. Developer shall submit the proposed construction plans [Ground Lease § 4.2(b)]	At least eight (8) months prior to the closing of the Phase 2 Construction Loan Closing
28. County Approval of the Construction Plans for Phase 2. The County shall either approve or disapprove of the Construction Plans in accordance with §4.2 of the Ground Lease. [Ground Lease § 4.2(b)]	Within 30 days of receipt
29. Approval of Financing Plan for Phase 2. The Developer shall obtain County approval of the Financing Plan. [Ground Lease§ 4.1]	Within thirty (30) days of receipt.
30. Application for Building Permit for Phase 2. The Developer shall apply for building permits for the improvements. To obtain building permits from the City of Oakland, Alameda County Environmental Health Department must approve abatement and remediation activities [Ground Lease § 4.2(c)]	At least ninety (90) days prior to the Phase 2 Construction Loan Closing
31. Construction Contract for Phase 2. The Developer shall submit the proposed construction contract based on approved Building Permit plans to the County. [Ground Lease § 4.2(d)]	At least fifteen (15) days prior to the closing of the Phase 2 Construction Loan Closing

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Action	Date
32. Construction Bonds for Phase 2. The Developer shall deliver the construction bonds to the County. [Ground Lease § 4.2(e)]	At least fifteen (15) days prior to the closing of the Phase 2 Construction Loan Closing
33. Building Permit for Phase 2. The Developer shall have received an Issue Ready Letter from the City of Oakland for the building permit for the Improvements. [Ground Lease § 4.2(c)]	No later than the Phase 2 Closing
34. Closing of all Supplemental Financing for Phase 2. The Developer shall close on all Supplemental Financing as set forth in the Financing Plan. [Ground Lease § 4.1]	No later than eight (8) years after the Effective Date.
35. Developer Insurance. The Developer shall provide the County all applicable insurance policies required by Ground Lease. [Ground Lease §8.1]	No later than the Phase 2 Closing
36. Commencement of Construction for Phase 2. The Developer shall commence the construction of the Improvements. [Ground Lease § 4.2(f)]	No later than eight (8) years from the Effective Date.
37. Completion of Construction for Phase 2. The Developer shall complete the construction of the Improvements. [Ground Lease § 4.2(f)]	No later than 26 months from the Phase 2 Closing
38. Submittal of Financing Plan for Phase 3. The Developer shall submit the Final Financing Plan. [Ground Lease § 4.1]	Within 90 days of receipt of a tax credit and/or bond allocation
39. Submittal of Construction Plans for Phase 3. Developer shall submit the proposed construction plans [Ground Lease § 4.2(b)]	At least eight (8) months prior to the closing of the Phase 3 Construction Loan Closing
40. County Approval of the Construction Plans for Phase 3. The County shall either approve or disapprove of the Construction Plans in accordance with §4.2 of the Ground Lease. [Ground Lease § 4.2(b)]	Within 30 days of receipt
41. Approval of Financing Plan for Phase 3. The Developer shall obtain County approval of the Financing Plan. [Ground Lease § 4.1]	Within twenty (20) days of receipt.

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Action	Date
42. Application for Building Permit for Phase 3. The Developer shall apply for building permits for the improvements. To obtain building permits from the City of Oakland, Alameda County Environmental Health Department must approve abatement and remediation activities [Ground Lease § 4.2(c)]	At least ninety (90) days prior to the closing of the Phase 3 Construction Loan Closing
43. Construction Contract for Phase 3. The Developer shall submit the proposed construction contract based on approved Building Permit plans to the County. [Ground Lease § 4.2(d)]	At least fifteen (15) days prior to the closing of the Phase 3 Construction Loan Closing
44. Construction Bonds for Phase 3. The Developer shall deliver the construction bonds to the County. [Ground Lease § 4.2(e)]	At least fifteen (15) days prior to the closing of Phase 3
45. Building Permit for Phase 3. The Developer shall have received an Issue Ready Letter for the building permit for the Improvements.	No later than the Phase 3 Closing.
46. Closing of all Supplemental Financing for Phase 3. The Developer shall close on all Supplemental Financing as set forth in the Financing Plan. [Ground Lease § 4.1]	No later than 10 years of the Effective date
47. Developer Insurance. The Developer shall provide the County all applicable insurance policies required by Ground Lease. [Ground Lease § 8.1]	No later than the Phase 3 Closing.
48. Commencement of Construction for Phase 3. The Developer shall commence the construction of the Improvements. [Ground Lease § 4.2(f)]	No later than ten (10) years from the effective date or eleven (11) years from the Effective Date if the optional one (1) year extension is granted by County staff.
49. Completion of Construction for Phase 3. The Developer shall complete the construction of the Improvements. [Ground Lease § 4.2(f)]	No later than 26 months from the Phase 3 Closing

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EXHIBIT C

SCOPE OF DEVELOPMENT

430 Broadway Scope of Development

430 Broadway will be developed in three standalone affordable housing development phases, known as Buildings A, B, and C. In addition to these buildings, the project will also create common outdoor spaces, including children's play areas and outdoor seating areas.

The project will include a total of approximately 14,200 square feet of outdoor common space split between the ground level and elevated common areas located on the podium level of the development.

Building A will cover approximately 0.337 acres of the site and consist of 66 total units. 65 of these units will be deed-restricted affordable housing, with 1 unrestricted two-bedroom manager's unit. Building A will total approximately 58,480 gross square feet, including approximately 35,460 square feet of residential space as well as common space, services space, and property management offices. The project will include a common laundry room adjacent to other common spaces on the ground floor. Building A will be senior affordable housing, with 17 studio apartments serving Permanent Supportive Housing residents.

Building A's unit mix is below:

- 25 Studios (387 average square feet)
- 40 1-bedrooms (600 average square feet)
- 1 2-bedroom manager's unit (approx. 880 square feet)

Building B will cover approximately 0.453 acres of the site and will consist of 55 total units. 54 of these units will be deed-restricted affordable housing, with 1 unrestricted two-bedroom manager's unit. Building B will total approximately 69,448 gross square feet, including 41,808 square feet of residential space, common space, resident services space, property management offices, and approximately 4,935 square feet of community serving retail space. The project will include a common laundry room. Building B will be family affordable housing.

Building B's unit mix is below:

- 11 studios (373 average square feet)
- 12 1-bedrooms (533 average square feet)
- 16 2-bedrooms (824 average square feet)
- 16 3-bedrooms (1,106 average square feet)

Building C will cover approximately 0.58 acres of the site and will consist of 71 total units. 70 of these units will be deed-restricted affordable housing, with 1 unrestricted two-bedroom manager's unit. Building C will total approximately 81,474 residential square feet with approximately 2,374 square feet of contemplated commercial space. Building C will include 55,764 square feet of residential space, as well as space for a community room, maintenance shop, services offices, and a leasing/property management office. The project will include a common laundry room. Building C will be family affordable housing.

Building C's unit mix is below:

- 15 studios (390 average square feet)
- 16 1-bedrooms (596 average square feet)
- 20 2-bedrooms (893 average square feet)
- 20 3-bedrooms (1,127 average square feet)

EXHIBIT D

FORM OF GROUND LEASE

GROUND LEASE AGREEMENT

By and Between the

The County of Alameda

and

JKL BUILDING A HOUSING PARTNERS, LP

(430 Broadway)

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GROUND LEASE AGREEMENT
(430 Broadway)

THIS GROUND LEASE AGREEMENT (the "Lease") is entered into as of _____________, 20__ (the "Effective Date"), by and between the County of Alameda, a body corporate and politic and a subdivision of the State (the "County", or the "Landlord"), and JKL Building A Housing Partners, LP, a California limited partnership, (the "Tenant").

RECITALS

A. Capitalized terms used, but not defined, in these Recitals shall have the meaning set forth in Section 1.1.

B. The County and Tenant entered into the LDDA.

C. Pursuant to the LDDA, the County agreed to lease the Property more particularly described in Exhibit A to Tenant for the purposes of developing the Development on the Property.

D. The County owns the Property located at 430 Broadway, Oakland, California as more particularly described in the attached Exhibit A.

E. The County desires to lease the Property to the Tenant in accordance with the provisions of this Lease in order to facilitate the use of the Property for the Development.

F. The Parties intend that this Lease shall initially apply to the entire Property for purposes of demolition of the Existing Improvements. Upon commencement of the Phase I Improvements the Parties anticipate amending this Lease to limit its scope to the Phase I Premises, and concurrently enter into separate ground leases on terms substantially similar to this Ground Lease with the applicable ownership entities for the subsequent Phases (as defined in the LDDA).

G. In accordance with the terms of this Lease, the Tenant intends to operate the Property and Improvements, in accordance with the terms of this Lease.

Therefore, the County and the Tenant agree as follows:

AGREEMENT

The foregoing recitals are hereby incorporated by reference and made part of this Lease.

ARTICLE I.
DEFINITIONS AND EXHIBITS.

Section 1.1 Definitions.

The following capitalized terms have the meanings set forth in this Section 1.1 wherever used in this Lease, unless otherwise provided:

(a) "Approved Security Interest" means a mortgage, deed of trust, or other reasonable method of security encumbering the Tenant's leasehold estate in the Property that: (i) meets the requirements of this Agreement, and (ii) secures any loan and/or refinancing approved by the County in connection with the approval of the Financing Plan.

(b) "Approved Security Interest Holder" means the holder or beneficiary of an Approved Security Interest.

(c) "Bankruptcy/Insolvency Event" means any of the following:

(1) Insolvency. A court having jurisdiction shall have made or entered any decree or order (i) adjudging the Tenant to be bankrupt or insolvent, (ii) approving as properly filed a petition seeking reorganization of the Tenant or seeking any arrangement for the entity in question under the bankruptcy law or any other applicable debtor's relief law or statute of the United States or any state or other jurisdiction, (iii) appointing a receiver, trustee, liquidator, or assignee of the Tenant in bankruptcy or insolvency or for any of its properties, or (iv) directing the winding up or liquidation of the Tenant, if any such decree or order described in clause (i) to (iv), inclusive, shall have continued unstayed or undischarged for a period of ninety (90) days unless a lesser time period will apply under this subsection; or the Tenant shall have admitted in writing its inability to pay its debts as they fall due or shall have voluntarily submitted to or filed a petition seeking any decree or order of the nature described in clauses (i) to (iv), inclusive.

(2) Assignment; Attachment. The Tenant shall have assigned its assets for the benefit of its creditors or suffered a sequestration or attachment of or execution on any substantial part of its property, unless the property so assigned, sequestered, attached or executed upon shall have been returned or released within ninety (90) days after such event or prior to sooner sale pursuant to such sequestration, attachment or execution.

(3) Suspension; Termination: The Tenant shall have voluntarily suspended its business or fails to maintain its good standing.

(d) "Building Permit" means all building permits for demolition of the Existing Improvements or the construction of the Improvements required to be obtained from the City or other Governmental Authorities.

(e) "CEQA" means the California Environmental Quality Act (Public Resources Code Section 21000 et seq.), and any state or local implementing guidelines in connection therewith.

(f) "Certificate of Completion" means the certificate issued by the County to the Tenant, or such other documentation provided by the County, after completion of the Improvements or any Phase of the Improvements in accordance with the provisions set forth in this Lease, as more particularly described in Section 4.2(c).

(g) "City" means the City of Oakland, a municipal corporation.

(h) "Construction Contracts" means, collectively, all the contracts between the Tenant and any general contractor(s) covering any Phase of the construction of the Improvements or any Major Additional Improvements or the demolition of the Existing Improvements.

(i) "Control" means (i) direct or indirect management or control of the managing member or members in the case of a limited liability company; (ii) direct or indirect management or control of the managing general partner or general partners in the case of a partnership and (iii) (a) boards of directors that overlap by fifty percent (50%) or more of their directors, or (b) direct or indirect control of a majority of the directors in the case of a corporation.

(j) "County" means the County of Alameda, a body corporate and politic and a subdivision of the State.

(k) "County Documents" means, collectively, this Lease, the LDDA, the Regulatory Agreement, any loan agreements, deeds of trust or other documents entered into by the Tenant with the County financing the Development and all other documents required by the County, to be executed by the Tenant in connection with the transaction contemplated by this Lease or the LDDA. "County Document" means any of the County Documents.

(l) "Default Interest Rate" means the rate of ten percent (10%) per month during the relevant period over which the Default Interest Rate is to be applied under this Lease, but in no event greater than the maximum rate permitted by law.

(m) "Development" means Tenant's design, planning and construction of development of approximately 196 units of housing of which a minimum of 20% will be affordable to persons and families of very low income, a minimum of 20% will be affordable to persons and families with incomes not exceeding 60% of area median income and the remaining units will be affordable to persons and families of low income as contemplated in the LDDA and this Lease. From and after the Phase 1 Construction Loan Closing, the term 'Development' under this Lease shall mean demolition and construction activities relating only to the Phase 1 Premises, and the development of the Remainder Premises (and, subsequently, the Phase 2 Premises and the Phase 3 Premises) shall be governed by Phase Leases for such premises.

(n) "Development Schedule" means the development schedule attached hereto as Exhibit F. The Development Schedule attached as Exhibit F includes milestones for all Phases. Upon execution of the Phase Leases, Exhibit F to this Lease shall be amended to include only the milestones applicable to the Phase 1 Premises, and the milestones for Phase 2 shall be incorporated into the Phase Lease for Phase 2 and the milestones for Phase 3 shall be incorporated into the Phase Lease for Phase 3.

(o) "Effective Date" means the date first written above.

(p) "Existing Improvements" means those improvements located on the Property as of the Close of Escrow consisting of an approximately 108,000 square foot building and ancillary site improvements.

(q) "Final Construction Plans" means those certain construction plans for each Phase of the Improvements approved by the County pursuant to this Lease (as may be amended pursuant to this Lease).

(r) "Financing Plan" means the Tenant's financing plan for each Phase of the development of the Improvements as approved by the County pursuant to the LDDA and this Lease.

(s) "General Contractor" shall have the meaning set forth in Section 4.4(j).

(t) "Governmental Authority(ies)" means any federal, state, and/or local agency, department, commission, board, bureau, administrative or regulatory body, or other public instrumentality having jurisdiction over the Property or any portion thereof.

(u) "Hazardous Materials" means any substance, material, or waste which is: (1) defined as a "hazardous waste", "hazardous material", "hazardous substance", "extremely hazardous waste", "restricted hazardous waste", "pollutant" or any other terms comparable to the foregoing terms under any provision of California law or federal law; (2) petroleum; (3) asbestos and asbestos containing materials; (4) polychlorinated biphenyls; (5) radioactive materials; (6) mold; (7) MTBE; or (8) determined by California, federal or local governmental authority to be capable of posing a risk of injury to health, safety, property or the environment.

The term "Hazardous Materials" shall not include: (i) construction materials, gardening materials, household products, office supply products or janitorial supply products customarily used in the construction, maintenance, rehabilitation, or management of commercial properties, buildings and grounds, or typically used in household activities, or (ii) certain substances which may contain chemicals listed by the State of California pursuant to California Health and Safety Code Section 25249.8 et seq., which substances are commonly used by a significant portion of the population living within the region of the Improvements, including but not limited to, alcoholic beverages, aspirin, tobacco products, NutraSweet and saccharine, so long as such materials and substances are stored, used, and disposed of in compliance with all applicable Hazardous Materials Laws.

(v) "Hazardous Materials Laws" means all federal, state, and local laws, ordinances, regulations, orders and directives pertaining to Hazardous Materials.

(w) "Improvements" means the approximately 192 units of housing and ancillary improvements to be constructed on the Property in accordance with the LDDA, this Lease, and the Scope of Development attached thereto. From and after the Phase 1 Construction Loan Closing, the term 'Improvements' under this Lease shall mean only the Phase 1 Improvements, and improvements constructed on the Remainder Premises (and later on the Phase 2 Premises and Phase 3 Premises) shall be governed exclusively by the applicable Phase Lease for such premises.

(x) "Insurance Trustee" shall have the meaning set forth in Section 8.5(c).

(y) "Land Use Approvals" means any governmental or regulatory approvals, permits or authority, other than the Building Permit, necessary for the development and operation of the Improvements, including but not limited to, mitigation measures or other conditions imposed under CEQA.

(z) "LDDA" means that certain Lease Disposition and Development Agreement dated ____________________, 2026, by and between the County, and Tenant, and as may be amended from time to time.

(aa) "Lease" means this Ground Lease Agreement.

(bb) "Major Additional Improvements" shall have the meaning set forth in Section 4.3(c).

(cc) "Memorandum of Lease" means the memorandum of this Lease to be recorded against the Property substantially in the form attached as Exhibit C.

(dd) "Parties" means the County and the Tenant.

(ee) "Phase" means each of the three buildings that constitute the Development, each to be developed during a specified time within the Development Schedule.

(ff) "Phase 1 Construction Loan Closing" means the date on which the Tenant or its Affiliate closes the construction financing for the Phase 1 Improvements identified in the Financing Plan and the conditions precedent to the initial disbursement of any construction financing have been satisfied or waived.

(gg) "Phase 1 Improvements" means the buildings, structures, fixtures, site work, and other improvements constructed or placed on the Phase 1 Premises pursuant to this Lease, together with all alterations, replacements, and additions thereto.

(hh) "Phase 1 Premises" means that portion of the Property described in Exhibit A as amended at the Phase 1 Construction Loan Closing, on which the Phase 1 Improvements will be constructed.

(ii) "Phase 2 Construction Loan Closing" means the date on which the Tenant or its Affiliate closes the construction financing for the Phase 2 Improvements identified in the Financing Plan and the conditions precedent to the initial disbursement of any construction financing have been satisfied or waived.

(jj) "Phase 2 Premises" means that portion of the Property on which the Phase 2 Improvements are to be constructed, which premises shall be subject to the Phase Lease from and after the Phase 2 Construction Loan Closing.

(kk) "Phase 3 Premises" means that portion of the Property on which the Phase 3 Improvements are to be constructed, which premises shall be subject to the Phase Lease from and after the Phase 2 Construction Loan Closing.

(ll) "Phase Lease(s)" means the two separate ground leases substantially similar to this Lease to be entered into by County and Tenant (or a Tenant Affiliate) at the Phase 1 Construction Loan Closing covering the Remainer Premises. One Phase Lease shall cover the Phase 2 Premises and one Phase Lease shall cover the Phase 3 Premises.

(mm) "Phasing Plan" means the plan included within Exhibit E setting forth the three Phases of the Development, the approximate units within each Phase and proposed unit size and affordability restrictions within each Phase.

(nn) "Preliminary Title Report". means that certain Preliminary Title Report for the Property, dated October 1, 2024, issued by Old Republic Title Company.

(oo) "Property". means that certain real property located in the City and more particularly described in the attached Exhibit A. From and after the Phase 1 Construction Loan Closing, the Parties intent that this Lease shall be amended so that the term 'Property' means only the Phase 1 Premises, and County and Tenant (or Tenant Affiliate) shall concurrently enter into a separate lease or leases for the Remainder Premises.

(pp) "Regulatory Agreement" means that certain agreement between the County and Tenant recorded against the Property that restricts the use of the Property.

(qq) "Remainder Premises" means the portion of the Property not included in the Phase 1 Premises, which shall be subject to a Phase Lease for Phase 2 and the Phase Lease for Phase 3 entered into at the Phase 1 Construction Loan Closing.

(rr) "Rent". means the applicable amount set forth in Article 3, plus all other amounts owed by the Tenant to the County, under this Lease.

(ss) "Scope of Development". means the general description of the Improvements attached hereto as Exhibit B.

(tt) "Tenant". means JKL Building A Housing Partners, LP, a California limited partnership, and its permitted successors or assigns as more particularly set forth herein.

(uu) "Tenant Affiliate" means a limited partnership in which (i) a single purpose entity with The Related Companies of California as the majority owner is the administrative general partner. (ii) a single purpose entity with an affiliate of East Bay Asian Local Development Corporation as the sole member will serve as the managing general partner and (iii) the limited partnership interests will be held by a tax credit investor.

(vv) "Tenant Event of Default". means an event described in Section 12.1

(ww) "Term". means the term of this Lease, commencing on the Effective Date and ending on the earlier to occur of (1) ninety-nine (99^{th}) anniversary of the Effective Date, as may be extended pursuant to Article 2; or (2) the date of any termination of this Lease in accordance with the provisions hereof.

(xx) "Transfer". has the meaning set forth in Section 7.1.

Section 1.2 Exhibits.
The following exhibits are attached to and incorporated into this Lease:

Exhibit A:	Legal Description of the Property
Exhibit B:	Scope of Development
Exhibit C:	Memorandum of Lease
Exhibit D:	Insurance Requirements
Exhibit E:	Phasing Plan
Exhibit F;	Development Schedule

ARTICLE 2.
LEASE OF THE PROPERTY

Section 2.1 Property.

Subject to the terms, covenants, and conditions hereof and in consideration of rents to be paid pursuant to this Lease, the County hereby leases the Property to the Tenant, and the Tenant hereby leases and takes from the County, the Property. Upon the Phase 1 Construction Loan Closing, this Lease shall be amended so that the Property consists only of the Phase 1 Premises, and County and Tenant (or a Tenant Affiliate) shall concurrently enter into the Phases Leases covering the Remainder Premises. From and after such amendments and severances, this Lease shall apply solely to the Phase 1 Premises and the Phase 1 Improvements.

Section 2.2 Term.

Unless sooner terminated pursuant to the provisions of this Lease, this Lease shall continue in full force and effect for the Term, commencing on the Effective Date and shall expire on midnight the day immediately preceding the ninety-ninth (99^{th}) anniversary of the Effective Date. This Lease will terminate on the last day of the Term, unless sooner terminated pursuant to the terms of this Lease.

Section 2.3 Use.

Subject to the provisions of this Lease, the Tenant shall use the Property for the construction, development and operation of the Improvements on the Property in accordance with the restrictions and requirements set forth in Article 4 and the LDDA.

Section 2.4 Possession.

The County agrees to, and shall, provide possession of the Property to the Tenant immediately following the Effective Date. To the best of the County's knowledge, the Property is subject only to the encumbrances listed in the Preliminary Title Report and such encumbrances approved by the County and recorded concurrently with the Memorandum of Lease. The County shall convey the Property to the Tenant in the physical condition set forth in the LDDA.

Section 2.5 Memorandum of Lease.

The Parties shall execute and acknowledge the Memorandum of Lease, in the form attached hereto as Exhibit C, which the Tenant shall cause to be recorded against the Property at the Tenant's expense.

Section 2.6 Phase Lease Severance.

From and after the Phase 1 Construction Loan Closing and pursuant to an amendment to this Lease, this Lease shall cover only the Phase 1 Premises, and the Tenant shall have no obligations with respect to the Remainder Premises, provided that Tenant or a Tenant Affiliate has entered into the Phase Leases for the Remainder Premises. Each tenant under a Phase Lease and this Lease as amended shall be solely responsible for obligations relating to its Phase Premises, and no tenant shall have liability for obligations relating to any other Phase Premises. A default under this Lease shall not constitute a default under any other Phase Lease, and a default under any other Phase Lease shall not constitute a default under this Lease. Upon the execution of a Phase Lease, Tenant shall be automatically released from any and all obligations under this Lease relating to any portion of the Remainder Premises covered by such Phase Lease, and the tenant under the applicable Phase Lease shall assume such obligations. The County shall execute and deliver such instruments as are reasonably necessary to evidence such release.

Section 2.7 Future Phase Leases.

The County and Tenant acknowledge and agree that the Phase Leases to be executed for the Phase 2 Premises and the Phase 3 Premises shall be on terms and conditions substantially consistent with the terms and conditions of this Lease, including, without limitation, with respect to the length of the term, rent structure, reversion of the leasehold estate, use restrictions, maintenance and repair obligations, and insurance and indemnity requirements, subject only to modifications reasonably required by the financing sources for such Phases, and agreed to by the County.

ARTICLE 3. RENT

Section 3.1 Annual Rent.

(a) Rent Amount During Term. Each year the Tenant shall pay to the County rent in an amount of one dollar ($1) per year to be paid to the County beginning on the first day of the Tenant's fiscal year immediately following the Effective Date of this Lease and on the first day of the Tenant's fiscal year each year thereafter for the Term.

(b) Location. The Tenant shall pay the Rent to the County, without deduction or offset whatsoever, in lawful money of the United States of America, at the address for the County set forth in Section 13.1, or to such other person or at such other place as the County may from time to time designate by notice in writing to Tenant, during the Term in accordance with the terms of this Lease.

Section 3.2 Advances for Lease Obligations.

In addition to and not by way of limitation of County's rights under specific provisions of this Lease, the County shall at all times have the right (at its sole election and without any obligation so to do) to advance on behalf of the Tenant any amount payable under this Lease by the Tenant, or to otherwise satisfy any of the Tenant's obligations under this Lease, provided that (except in case of emergency calling for immediate payment) the County shall first have given the Tenant no less than fifteen (15) days advance written notice of the County's intention to advance such amounts on behalf of the Tenant. No advance by the County shall operate as a waiver of any of the County's rights under this Lease and the Tenant shall remain fully responsible for the performance of its obligations under this Lease. All amounts advanced by the County shall be separate from and additional to the Rent, and shall be immediately due and payable by the Tenant to the County and shall bear interest from the date of advance at the Default Interest Rate. All amounts advanced by the County pursuant to this Section 3.2 or similar provisions of this Lease are hereinafter referred to as "Advances".

Section 3.3 Net-Net-Net Lease.

This Lease is a net-net-net lease, and Rent and other payments payable to or on behalf of the County shall: (a) be paid without notice or demand and without offset, counterclaim, abatement, suspension, deferment, deduction or defense; and (b) be an absolute net return to the County, free and clear of any expenses, charges or offsets whatsoever.

Section 3.4 No Termination.

Except as otherwise expressly provided in this Lease, this Lease shall not terminate nor shall the Tenant be entitled to the abatement of any Rent or other payment due or any reduction or allocation thereof, nor shall the obligations of the Tenant under this Lease be otherwise affected by reasons of any damage to or destruction of all or any part of the Improvements from whatever cause, or a taking of the Property or Improvements or any portion thereof by condemnation, requisition or otherwise for any reason whatsoever, or the prohibition, limitation or restriction of the Tenant's use of all or any part of the Property or Improvements, or the interference with such use by any person, or by reason of the termination or foreclosure of any mortgage, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the Parties that the obligations of the Tenant shall be separate and independent covenants and agreements, that the Rent and all other payments payable by the Tenant under this Lease shall continue to be payable in all events, and that the obligations of the Tenant under this Lease shall continue unaffected, unless the requirement to pay or perform the same shall have been terminated pursuant to an express provision of this Lease; provided, however, that during the continuance of any such damage, destruction, taking, prohibition, limitation, interference, eviction or foreclosure, the

Tenant shall not be obligated to perform any obligations which are no longer capable of being performed as a result of such event.

ARTICLE 4.
CONSTRUCTION OF IMPROVEMENTS

Section 4.1 Conditions Precedent to Construction of Improvements.

(a) Financing Plan. The Tenant's preliminary plan for the financing of each Phase of the Development ("Preliminary Financing Plan") is attached to the LDDA as Exhibit G. The Tenant shall provide the County with quarterly progress reports on funding sources, including the projected application dates and the expected funding to be available for each Phase of the Improvements. If any funding source currently projected in the Preliminary Financing Plan is no longer available or does not become available as projected, the Tenant shall, within thirty (30) days of receipt of such information notify the County and shall as part of its next quarterly progress report provide an updated Preliminary Financing Plan showing alternative funding sources.

Tenant shall make diligent efforts to secure the financing set forth in the Preliminary Financing Plan for each Phase of the Improvements and shall, within the times set forth in the Development Schedule submit applications to funding sources in order to secure the necessary financing.

No later than the date set forth in the Development Schedule for each Phase, the Tenant shall submit to the County an updated and revised financing plan ("Final Financing Plan") for such Phase which shall include a development budget, updated amounts for each proposed funding source and any other funding sources obtained, and copies of written commitments for each funding source.

The County shall approve or disapprove any revised Preliminary Financing Plan or the Final Financing Plan for each Phase in writing within thirty (30) days after the County's receipt. If the revised Preliminary Financing Plan or the Final Financing Plan is disapproved by the County, the Tenant shall have thirty (30) days from the date of the Tenant's receipt of the County's notice of disapproval to submit a revised Final Financing Plan for that particular Phase. In the event the County disapproves the second submission, the County and the Tenant agree to negotiate in good faith to develop a submission that is reasonably acceptable to both the County and the Tenant within a reasonable period of time. Immediately prior to the commencement of construction for each Phase, the Tenant shall provide the County with an update to the Final Financing Plan for that Phase ("Closing Financing Plan") that will include the final amounts of all funding sources and uses and will replace the Final Financing Plan for that Phase. All financing necessary for the construction of each Phase of the Development, as approved by the County in the Final Financing Plan for that Phase (not including permanent financing) and updated in the Closing Financing Plan, shall be closed by the Tenant prior to, or simultaneously with, the commencement of construction of the applicable Phase of the Development in accordance with the terms of this Lease. The Tenant shall not rely on the County's approval of the Final Financing Plan or the Closing Financing Plan as a representation of any kind, including but not limited to the business advantage of the terms of any of the Financing or any documentation thereof. The County's approval shall merely constitute satisfaction of the condition set forth in this Subsection.

The County shall cooperate with the Tenant with respect to applications for public funding for any Phase, including, without limitation, funding from HUD, HCD, TCAC, CDLAC, City of Oakland Measure U funds, California Department of Housing and Community Development funds, Bay Area Housing Finance Agency funds (collectively, the "Funding Sources"), provided, however, the County shall not be required to incur any costs with respect to such cooperation.

(b) Reciprocal Easement Agreement. The Parties acknowledge that no reciprocal easement agreement is required so long as this Lease covers the entire Property. Within the period set forth in the Development Schedule and prior to the amendment of this Lease and the execution of a Phase Lease, the Tenant shall have submitted to the County for its approval a reciprocal easement agreement or other similar agreement ("REA") governing the rights and responsibilities of each owner of each Phase of the Property, including but not limited to cross easements for ingress and egress and maintenance responsibilities for any common areas.

The County shall approve or disapprove any REA in writing within thirty (30) days after the County's receipt. If the REA is disapproved by the County, the Tenant shall have thirty (30) days from the date of the Tenant's receipt of the County's disapproval notice to resubmit the REA. In the event the County disapproves the second submission, the County and the Tenant agree to negotiate in good faith to develop a submission that is reasonably acceptable to the County and the Tenant within a reasonable period of time.

Section 4.2 Construction of Improvements.

(a) Construction Obligations. The obligations of Tenant to commence and complete construction of the Phase 2 Improvements and Phase 3 Improvements, as set forth below and in the Development Schedule, shall apply only so long as this Lease covers the entire Property. Upon the execution of the Phase Leases at the Phase 1 Construction Loan Closing, this Lease shall be amended to remove those obligations that are incorporated into the Phase Leases related to the construction of the Phase 2 Improvements and the Phase 3 Improvements. From and after such amendments, this Section 4.2 shall apply solely to the Phase 1 Improvements.

(b) Specific Standards. Within the time and in the manner set forth in this Lease, the Tenant shall cause to be demolished the Existing Improvements on the Property and shall construct or cause to be constructed on the Property, the Improvements, as required by the LDDA, and this Lease. The demolition of the Existing Improvements and the construction of the Improvements shall be in full conformity with the LDDA, Land Use Approvals, the Scope of Development, the Final Construction Plans, as approved by the County as may be amended pursuant to this Lease, the Building Permits and any other agreements related to the construction of the improvements.

(c) Construction Plans. The Tenant shall prepare construction plans for the construction of each Phase of the Improvements. The final construction plans for each Phase of the Improvements submitted by the Tenant for County approval shall consist of all construction documentation upon which the Tenant and its contractors shall rely in building that Phase of the Improvements. Such construction plans shall include the construction plans submitted to the City for purposes of obtaining a building permit for the Development. The construction plans shall be based upon the, the Land Use Approvals and consistent with the Scope of Development and shall not materially deviate from them without the written consent of the County. County shall approve or disapprove the final construction plans for each Phase within thirty (30) calendar days after the County's receipt. County's approval shall be limited to reviewing and approving the construction plans to ensure such plans are consistent with the Land Use Approvals and the Scope of Development. In the event the County disapproves the construction plans the County and the Tenant agree to negotiate in good faith to develop a submission that is reasonably acceptable to both the County and the Tenant within a reasonable period of time. The County's review and approval of the construction plans shall be in its role as property owner and is not intended to constitute a regulatory review or approval. As approved, these construction plans for the applicable Phase of the Improvements shall be referred to as the "Final Construction Plans".

If the Tenant desires to make any material change (as defined below) in the Final Construction Plans then in effect, the Tenant shall first submit, or cause to be submitted, to the County such plans or other information which document the desired change. If the Final Construction Plans, as modified by the desired change, conform to the requirements of this Lease, the LDDA, and the Land Use Approvals, the County shall approve or disapprove the change by notifying the Tenant in writing within twenty (20) days of the submission of the request for the material change. If the proposed change is disapproved by the County, the disapproval shall state with reasonable specificity the basis for disapproval. Until and unless such change is approved by the County, the previously approved Final Construction Plans shall remain in effect.

For purposes of this paragraph, a "material change" is one involving a change in exterior design, building materials or colors, a change in the number of housing units to be constructed or any change that requires an amendment to any Land Use Approval.

(d) Building Permits. No later than the date set forth in the Development Schedule with respect to each Phase, the Tenant shall apply for building permits for such Phase of the Improvements from the City consistent with the Final Construction Plans. After submitting applications for Building Permits as set forth above, the Tenant shall diligently pursue and obtain the Building Permits for the particular Phase of the Improvements, no later than the date set forth in the Development Schedule. For the purposes of this Agreement, the Tenant shall be deemed to have satisfied the condition precedent to obtain the Building Permit for a Phase of the Improvements by delivering evidence to the County that the Tenant has received an Issue Ready Letter from the City subject only to the payment of applicable permit fees.

(e) Construction Contracts. With respect to each Phase, no later than the date set forth in the Development Schedule, the Tenant shall submit to the County for its limited approval the proposed construction contract for such Phase of the Improvements. The County's review and approval shall be limited exclusively to a determination whether: (i) the guaranteed maximum construction cost, or stipulated sum, set forth in the construction contract is consistent with the approved applicable Final Financing Plan; (ii) the construction contract is with a contractor duly licensed by the State of California and reasonably acceptable to the County; (iii) the construction contract contains provisions consistent with the LDDA and this Lease; (iv) the construction contract requires a retention of ten percent (10%) of hard costs until completion of the Improvements (provided, however, the construction contract may provide for the release of retention, prior to completion of the Improvements, to certain specified subcontractors that have completed all of their work on the Improvements as reasonably approved by the County, and, provided, further, that such early retention amount shall be based on the subcontractor's initial contract sum, and shall exclude any increase in the contract sum due to change orders, or otherwise); (v) the construction contract requires the payment of prevailing wages in accordance with this Lease Section 4.6 and Labor Code Sections 1720 et seq.; (vi) the construction contract requires the contractor to make good faith efforts to meet the Measure A-1 Implementation Policies regarding employment of disadvantaged residents and contracting with Alameda County based and small/local businesses; (vii) the construction contract incorporates a project labor agreement that complies with the minimum terms in the Measure A-1 Implementation Policies; (viii) the construction contract includes language indemnifying the County for any and all claims resulting from the construction in a form to be provided by the County; and (ix) the construction contract includes the applicable insurance requirements as set forth in this Lease. The County's approval of the construction contract shall in no way be deemed to constitute approval of, or concurrence with, any other term or condition of the construction contract.

Upon receipt by the County of the proposed construction contract, the County shall promptly review same and approve it within fifteen (15) days if it satisfies the limited criteria set forth above. If the construction contract is not approved by the County, the County shall set forth in writing and notify the Tenant of the County's reasons for withholding such approval. The Tenant shall thereafter submit a revised construction contract for County approval, which approval shall be granted or denied within fifteen (15) days in accordance with the criteria and procedures set forth above. Failure of the County to respond within the fifteen (15) day period(s) set forth above shall be deemed approval by the County. Any construction contract executed by the Tenant for any Phase of the Improvements or for demolition of the Existing Improvements shall be in a form approved or deemed approved by the County.

The Tenant shall not rely on the County's approval of the construction contract(s) as a representation regarding the enforceability or business advantage of the construction contract(s). County approval shall merely constitute satisfaction of the condition set forth in this Subsection.

(f) Construction Bonds. With respect to each Phase, no later than the date set forth in the Development Schedule, the Tenant shall deliver to the County forms of one (1) labor and material bond and one (1) performance bond for the Improvements in such Phase issued by a reputable insurance company licensed to do business in California, and named in the current list of "Surety Companies Acceptable on Federal Bonds" as published in the Federal Register by the Audit Staff Bureau of Accounts, U.S. Treasury Department, and reasonably acceptable to the County, each in a penal sum of not less than one hundred percent (100%) of the scheduled cost of construction of the Improvements in such Phase as set forth in the approved construction contract for the County's review and approval. The bonds shall name the County as co-obligee. Upon receipt by the County of the proposed payment and performance bonds, the County shall promptly review such bonds and approve them within fifteen (15) days if they satisfy the criteria set forth above, and include any other modification reasonably requested by the County. If the payment and performance bonds are not approved by the County, the County shall set forth in writing and notify the Tenant of the County's reasons for withholding such approval. The Tenant shall thereafter submit revised payment and performance bonds for County approval, which approval shall be granted or denied in fifteen (15) days in accordance with the criteria and procedures set forth above. Failure of the County to respond within the fifteen (15) day period(s) set forth above shall be deemed approval by the County.

Prior to the commencement of demolition of the Existing Improvements and construction for each Phase, the Tenant shall deliver to the County copies of actually issued bonds for work substantially identical to the forms previously delivered to, and approved by, the County. The Tenant may elect to satisfy the obligation set forth in this Subsection (e) by delivering bonds which name the Tenant's general contractor(s), and not the Tenant, as the principal.

(g) Commencement and Completion. Tenant shall demolish the Existing Improvements and construct the Improvements within the time and in accordance with the Development Schedule attached hereto and incorporated herein as Exhibit F.

(1) Demolition of Existing Improvements. The Tenant shall commence the demolition of the Existing Improvements on the Property within thirty (30) days of the commencement of the Term and shall complete the demolition of the Existing Improvements no later than eighteen (18) months after commencement of demolition.

(2) Phase 1 Improvements. The Tenant shall commence construction of the Phase 1 Improvements no later than the third anniversary of the Effective Date of this Lease, provided, that if the Tenant demonstrates to the County that it has made substantial progress toward obtaining the financing for the Phase 1 Improvements prior to the third anniversary of the Effective Date, the County Administrator may extend that date for commencement of construction of the Phase 1 Improvements for one (1) additional year and if after that first one (1) year extension, Tenant continues to demonstrate to the County that it has made substantial progress toward obtaining financing for the Phase 1 Improvements prior to the fourth anniversary of the Effective Date, the County Administrator may extend the date for one (1) more year. Tenant shall thereafter complete the construction of Phase1 Improvements no later than date set forth in the Development Schedule, subject to the limited circumstances for delay set forth in Section 13.4.

(3) Phase2 Improvements. The Tenant shall commence construction of the Phase 2 Improvements no later than the eighth (8^{th}) anniversary of the Effective Date of this Lease and shall thereafter complete the construction of the Phase 2 Improvements no later than the date set forth in the Development Schedule subject to the limited circumstances for delay set forth in Section 13.4.

(4) Phase 3 Improvements. The Tenant shall commence construction of the Phase 3 Improvements no later than the tenth (10^{th}) anniversary of the Effective Date of

this Lease provided, that if the Tenant demonstrates to the County that it has made substantial progress toward obtaining the financing for the Phase 3 Improvements prior to the tenth (10^{th}) anniversary of the Effective Date, the County Administrator may extend that date for commencement of construction of the Phase 3 Improvements for one (1) additional year. Tenant shall thereafter complete the construction of the Phase 3 Improvements no later than the date set forth in the Development Schedule subject to the limited circumstances for delay set forth in Section 13.4.

Once the Tenant commences construction of any Phase of the Improvements, the Tenant shall not halt, or permit the cessation of construction for such work for a period of more than thirty (30) days, subject to excused delays.

(h) Certificate of Completion. Promptly after completion of each Phase of the Improvements, in accordance with those provisions of this Lease and the LDDA relating solely to the obligations of the Tenant to construct, or cause the construction of, the Phase of the Improvements (including the dates for beginning and completing construction of the Phase of the Improvements), the County shall provide an instrument so certifying (the "Certificate of Completion"). The Certificate of Completion shall constitute a conclusive determination that the covenants in this Lease solely with respect to the obligations of the Tenant to construct that Phase of the Improvements (including the dates for the beginning and completing construction of the Phase of the Improvements) have been met. The Certificate of Completion shall not constitute evidence of compliance with, or satisfaction of, any obligation of the Tenant to any holder of a deed of trust securing money loaned to finance the Phase of the Improvements or any part thereof, shall not be deemed a notice of completion under the California Civil Code, and shall not constitute evidence of compliance with, or otherwise waive, modify, or limit any of the requirements regarding the payment of prevailing wages as set forth in this Lease.

Section 4.3 Additional Construction on Property.

(a) General Standards. Any alteration, construction, remodeling, reconstruction or repair work undertaken on or within the Improvements or on any portion of the Property (other than the initial construction of the Improvements pursuant to Section 4.2) shall at all times be of high-quality construction and architectural design. All such additional alteration, construction, remodeling, reconstruction or repair work shall be diligently prosecuted, and completed (1) with respect to additional alterations, construction, remodeling, reconstructing or repair work anticipated to cost $250,000 or more, only after the Tenant has obtained the County's prior written approval for such additional construction, (2) without cost to the County, (3) in good and workmanlike manner, (4) after Tenant has obtained any permits and approvals from any applicable Governmental Authorities necessary for such work; and (5) in accordance with any plans and specifications approved by the County pursuant to subsection (b) below, if applicable. The Tenant shall secure all Land Use Approvals for such additional construction, prior to submitting any construction plans to the County under this Section 4.3.

(b) Approval of Plans. Prior to commencing construction of any Major Additional Improvements (as defined below), the Tenant shall submit to the County for the County's approval plans and specifications for such work which, to the extent relevant, shall contain the same information as set forth in the Final Construction Plans. The County shall approve or disapprove (in the County's reasonable discretion) such plans and specifications in writing within sixty (60) days of submission. Any disapproval shall state with specificity the reasons for such disapproval.

If rejected by the County in whole or in part, the Tenant shall submit new or corrected construction plans within thirty (30) days of notification of the County's disapproval. The County shall then have thirty (30) days to review and approve the Tenant's new or corrected construction plans. The County's failure to either approve or disapprove the construction plans within such thirty (30) day period shall be deemed approval. The provisions of this Section 4.3 relating to time periods for approval, rejection, or resubmission of new or corrected construction plans shall continue to apply until construction plans have been approved by the County (or deemed approved) at which time they shall be attached to and become a part of this Lease as if fully set forth herein. Only upon approval of the construction plans shall this condition be met.

The County's approval or disapproval of the plans and specifications pursuant to this Lease shall be solely in its capacity as the lessor of Property and not in its regulatory capacity. Tenant shall be responsible for obtaining any and all regulatory approvals for such improvements in addition to the approvals set forth herein.

In the event that prior to or during the course of construction, the Tenant desires to make any material change in the Major Additional Improvements from that contemplated in the approved plans and specifications, the Tenant shall, prior to making such change, submit to the County such plans or other information which document the desired change. The County shall approve or disapprove such change within thirty (30) days of its submission to the County. Any disapproval shall state with reasonable specificity the basis for such disapproval. Unless such change is approved, the previously approved plans and specifications shall remain in effect.

(c) "Major Additional Improvements" means any of the following: (1) any new buildings, structures or outdoor facilities to be located on the Property, (2) any substantial alterations, remodeling or rehabilitation of existing buildings, structures, or remodeling or rehabilitation of existing buildings, structures, or outdoor facilities, (3) construction of additional spaces or facilities, (4) any other alteration, construction, remodeling or reconstruction with a cost in excess of five hundred thousand dollars ($500,000), or (5) a change that will reduce the number of housing units within the Improvements. Alteration, construction, remodeling, or reconstruction not constituting a Major Additional Improvement shall not require the County's consent or approval of plans and specifications, but must be designed and performed in accordance with the General Standards set forth in subsection (a) above.

Section 4.4 Construction Standards.

(a) General Standards. Demolition of the Existing Improvements and all construction of the Improvements, and alteration or repair work permitted by this Lease shall be accomplished expeditiously and diligently by reputable licensed contractor(s), approved by the County in accordance with the provisions of Section 4.4(j), below.

The Tenant shall take all reasonably necessary measures to minimize any damage, disruption or inconvenience caused by such work and make adequate provision for the safety and convenience of all persons affected thereby. The Tenant shall repair, at the Tenant's own cost and expense any and all damage caused by such work and shall restore the area upon which such work is performed to a condition which is equal to or better than the condition which existed prior to the beginning of such work. In addition, the Tenant shall pay all costs of and expenses associated herewith, and shall indemnify, defend, and hold harmless the County and the County's supervisors, agents, employees and volunteers from any and all suits, actions, claims, losses, liabilities, damages, injuries, causes of action, costs and expenses of any kind, whether actual or alleged, including without limitation, court costs, reasonable attorneys' fees and other litigation expenses, demands, judgments and liens arising out of, pertaining to or relating to, directly or indirectly, in whole or in part, the performance of such work, except directly caused by the County's willful misconduct or gross negligence.

(b) Compliance with Construction Documents and Laws; Issuance of Permits. Demolition of the Existing Improvements and construction of all Improvements and any Major Additional Improvements shall be in compliance with the requirements of the construction documents approved by the County, in accordance with this Lease, the LDDA, and also in strict compliance with all applicable local, state and federal laws and regulations. The Tenant shall have the sole responsibility for obtaining all necessary permits and shall make any application for such permit directly to the Governmental Authority having jurisdiction.

(c) Construction Safeguards. The Tenant shall erect and properly maintain at all times, as required by the conditions and the progress of work performed by the Tenant, all reasonable safeguards for the protection of workers and the public.

(d) Rights of Access. Representatives of the County shall have the reasonable right of access to the Property and the Improvements thereon without charges or fees, at normal construction hours during the period of construction, for the purposes of ascertaining compliance with the terms of this Lease, including, but not limited to, the inspection of the construction work being performed, provided that such representatives shall be those who are so identified in writing by the Director of the Community Development Agency, shall be accompanied by the Tenant's representatives if the Tenant so desires, shall comply with the Tenant's contractor's reasonable rules for the construction site, and shall provide the Tenant with forty-eight (48) hours' notice prior to any such inspection.

(e) Notice of Completion. Upon completion of the Improvements or any Major Improvements, the Tenant shall file or cause to be filed in the Official Records of the County of Alameda a notice of completion with respect to the applicable construction, and the Tenant shall deliver to the County, at no cost to the County, two (2) sets of the final as-built plans and specifications of the Improvements, or Major Additional Improvements.

(f) Discharge of Liens. The Tenant shall not create or permit or suffer to be created or to remain, and will discharge, any lien (including, but not limited to, the liens of mechanics, laborers, material men, suppliers or vendors for work or materials alleged to be done or furnished in connection with the Property and the Improvements thereon), encumbrances or other charge upon the Property and the Improvements thereon, or any part thereof, or upon the Tenant's leasehold interest therein.

The Tenant shall have the right to contest in good faith and by appropriate legal proceedings the validity or amount of any mechanics', laborers', materialmen's, suppliers' or vendors' lien or claimed lien; provided that the Tenant shall utilize all reasonable means (including the posting of adequate security for payment) to protect the Property, and any part thereof, or the Improvements thereon against foreclosure, and shall indemnify and hold harmless the County from any adverse effects resulting from such lien.

(g) Protection of the County. Nothing in this Lease shall be construed as constituting the consent of the County, expressed or implied, to the performance of any labor or the furnishing of any materials or any specific improvements, alterations of or repairs to the Property or the Improvements thereon, or any part thereof, by any contractor, subcontractor, laborer or materialman, nor as giving the Tenant or any other person any right, power or authority to act as agent of or to contract for, or permit the rendering of, any services or the furnishing of any materials in such manner as would give rise to the filing of mechanics' liens or other claims against the fee interest of the Property or the improvements thereon, if any. The County shall have the right at all reasonable times to post and keep posted on the Property any notices which the County may deem necessary for the protection of the County and of the Property and the Improvements thereon from mechanics' liens or other claims. In addition, but subject to the second paragraph of subsection (f) above, the Tenant shall make, or cause to be made, prompt payment of all monies due and legally owing to all persons doing any work or furnishing any materials or supplies to the Tenant, or any of its respective contractors or subcontractors in connection with the Property and the Improvements thereon.

(h) The Tenant to Furnish and Equip the Improvements. The Tenant covenants and agrees to furnish and equip the Improvements, or any Major Additional Improvements, with all fixtures, furnishings, equipment and other personal property (collectively, the "Personal Property") of a quantity as necessary to operate the Improvements in accordance with the standards set forth in this Lease.

(i) Performance and Payment Bonds. Prior to commencing demolition of the Existing Improvement or construction of the Improvements, or any Major Additional Improvements, the Tenant shall obtain and provide to the County evidence of one (1) labor and material, and, one (1) performance, bond issued by a reputable insurance company licensed to do business in California, and named in the current list of "Surety Companies Acceptable on Federal Bonds" as published in the Federal Register by the Audit Staff Bureau of Accounts, U.S. Treasury Department, and reasonably acceptable to the County, each in a penal sum of not less than one hundred percent (100%) of the scheduled cost of construction on the Property. The County shall be named as an obligee under those bonds.

Within fifteen (15) days after receipt, the County shall review and approve or disapprove the bonds or other security, providing said bonds meet the requirements of the County as to form, content, and issuer, and shall notify the Tenant of any deficiency. If the bonds are not approved, the Tenant shall resubmit updated bonds within five (5) days after receipt of notice. The review and submittal periods shall continue to apply until the bonds or other security are approved by the County. Only upon final approval shall this condition be met. No work shall be initiated until approval of the bonds has been received. As of the Effective

Date, the County has approved the Tenant's payment bond and performance bond for the Improvements.

(j) Contractor(s). The construction of the Improvements and any Major Additional Improvements shall be performed by a general contractor (a "General Contractor") reasonably satisfactory to the County, having the reputation, experience, financial capability, and qualification for serving as general contractor for similar developments in the California. The Tenant shall submit for the County's approval the identity of any proposed General Contractor and such additional information about the background, experience, and financial condition of any proposed General Contractor as is reasonably necessary for the County to determine whether the proposed General Contractor meets the standard for a qualified General Contractor set forth above. If the proposed General Contractor meets such standard, the County shall approve or disapprove the proposed General Contractor by notifying the Tenant in writing within twenty (20) days of the submission. Any disapproval shall state with reasonable specificity the basis for disapproval. As of the Effective Date, the County has approved the Tenant's General Contractor for the Improvements.

(k) Construction Contracts. The Tenant shall enter into contracts for the construction of the Major Additional Improvements with reputable contractors as set forth above. Those contracts shall provide for the work to be performed for fixed and specified maximum amounts or allowances pursuant to the approved Final Construction Plans and the Final Financing Plan for such construction (approved by the County pursuant to this Lease).

Within the time set forth in the Development Schedule, the Tenant shall submit a copy of all construction contracts for such construction to the County, for the sole and limited purposes of determining: (i) that the amount of the cost of work has been clearly fixed and determined and is consistent with the amount set forth in the approved applicable Financing Plan; (ii) that no changes to the provisions of the contract which, pursuant to this Lease require the approval of County shall be made without the prior consent of the County; (iii) that the covenants as to equal opportunity in construction, Prevailing Wages, project labor agreements and local contracting and small local contracting set forth in this Lease have been met; (iv) the construction contract is with a contractor duly licensed by the State of California, registered with the Department of Industrial Relations, and reasonably acceptable to the County; (v) the construction contract contains provisions consistent with this Lease; (vi) the construction contract requires a retention of ten percent (10%) of hard costs until completion of demolition of the Existing Improvements or completion of the Improvements or the Major Additional Improvements (provided, however, the construction contract may provide for the release of retention, prior to completion, to certain specified subcontractors that have completed all of their contracted work as reasonably approved by the County, and, provided, further, that such early retention amount shall be based on the subcontractor's initial contract sum, and shall exclude any increase in the contract sum due to change orders, or otherwise); (vii) the construction contract includes indemnifications from the contractor indemnifying the County for any and all claims resulting from the construction; and (viii) the construction contract includes the applicable insurance requirements as set forth in this Lease. Unless the County notifies the Tenant in writing within ten (10) days following the submittal of the contract(s) that the contract has been disapproved, it shall be deemed approved. The County's approval shall merely constitute satisfaction of the conditions set forth in this Section 4.4. The County's approval of the construction contract shall in no way be deemed to constitute approval of, or concurrence with, any other term or condition of the construction contract. The Tenant shall not rely on the County's approval of the construction contract(s) as a representation regarding the enforceability or business advantage of the construction contract(s).

(l) Conditions to Commencement of Construction. In no event shall the Tenant commence the demolition of the Existing Improvements or any construction of the Improvements or any Major Additional Improvements on the Property until the following conditions have been satisfied or waived by the County, in addition to other conditions and requirements imposed by this Lease:

(1) The County has approved the Final Construction Plan for demolition or the improvements to be constructed;

(2) With respect to the construction of the Improvements, the County has approved a Final Financing Plan and Tenant has satisfied all conditions of any construction funding included within such Final Financing Plan;

(3) The Tenant has obtained financing and equity capital necessary for the full payment of construction of the Improvements (or the Major Additional Improvements) and delivered evidence of such financing to the County;

(4) The Tenant has obtained building permits and all other governmental approvals necessary for the demolition of the Existing Improvements, construction of the Improvements (or Major Additional Improvements), as applicable, to the extent required by applicable law;

(5) The Tenant has entered into complete and binding contracts with its contractor or contractors for the demolition of the Existing Improvements, construction of the Improvements (or Major Additional Improvements), as applicable, which contracts shall meet the requirements of subsection (k) above;

(6) The Tenant has obtained the performance bond and the payment bond meeting the requirements of subsection (i) above; and

(7) There exists no Tenant Event of Default nor any act, failure, omission, or condition that would constitute a Tenant Event of Default under this Lease, the LDDA, or any other County Documents.

Section 4.5 Equal Opportunity.

During the construction of the Improvements or any Major Additional Improvements there shall be no discrimination on the basis of race, color, creed, religion, sex, sexual orientation, marital status, ancestry or national origin in the hiring, firing, promoting or demoting of any person engaged in the construction work. The Tenant and its construction contractors, employees and agents shall comply with all applicable state laws, including all equal opportunity and fair employment laws and regulations applicable to the Property.

Section 4.6 Prevailing Wages.

(a) Tenant shall and shall cause its contractors and subcontractors to pay prevailing wages in the demolition of the Existing Improvements, construction of the Improvements or any Major Additional Improvements as those wages are determined pursuant to Labor Code Sections 1720 et seq. and the implementing regulations of the Department of Industrial Relations (the "DIR"), to employ apprentices as required by Labor Code Sections 1777.5 et seq., and the implementing regulations of the DIR and comply with the other applicable provisions of Labor Code Sections 1720 et seq., 1777.5 et seq., 1810-1815 and implementing regulations of the DIR.

(b) All calls for bids, bidding materials and the construction contract documents for demolition of the Existing Improvements, the Improvements or any Major Additional Improvements must specify that:

(1) No contractor or subcontractor may be listed on a bid proposal nor be awarded a contract unless registered with the DIR pursuant to Labor Code Section 1725.5.

(2) The demolition of the Existing Improvements and the construction of the Improvements or any Major Additional Improvements are subject to compliance monitoring and enforcement by the DIR.

(c) Tenant, as the "awarding body", shall register the construction project as required by Labor Code Section 1773.3 as set forth in the DIR's online form PWC-100 within two (2) days after entering into the construction contract and provide evidence of such registration to the County within two (2) days of such registration and any additional registration reporting to the DIR.

(d) In accordance with Labor Code Sections 1725.5 and 1771.1, Tenant shall require that its contractors and subcontractors be registered with the DIR, and maintain such registration as required by the DIR.

(e) Pursuant to Labor Code Section 1771.4, the demolition of the Existing Improvements, and construction of the Improvements and any Major Additional Improvements are subject to compliance monitoring and enforcement by the DIR. Tenant shall and shall require its contractors and subcontractors to submit payroll and other records electronically to the DIR pursuant to Labor Code Sections 1771.4 and 1776 et seq, or in such other format as required by the DIR.

(f) Tenant shall and shall cause its contractors and subcontractors to keep and retain such records as are necessary to determine if prevailing wages have been paid as required pursuant to Labor Code Sections 1720 et seq., and that apprentices have been employed as required by Labor Code Section 1777.5 et seq., and shall, from time to time upon the request of Landlord provide to Landlord such records and other documentation reasonably requested by Landlord.

(g) Tenant shall and shall cause its respective contractors and subcontractors to comply with all other applicable provisions of Labor Code, including without limitation, Labor Code Sections 1720 et seq., 1725.5, 1771, 1771.1, 1771.4, 1776, 1777.5 et seq., 1810-1815 and implementing regulations of the DIR in connection with demolition of the Existing Improvements, and construction of the Improvements or any Major Additional Improvements or any other work undertaken or in connection with the Leased Premises.

(h) Copies of the currently applicable current per diem prevailing wages are available from the DIR website, www.dir.ca.gov. Tenant shall cause its respective contractors to post the applicable prevailing rates of per diem wages at the Property site and to post job site notices, in compliance with Title 8 California Code of Regulations 16451(d) or as otherwise as required by the DIR.

(i) Tenant shall indemnify, hold harmless and defend (with counsel reasonably selected by the County), to the extent permitted by applicable law, the County, its supervisors, commissioners, officials, employees and agents, against any claim for damages, compensation, fines, penalties or other amounts arising out of the failure or alleged failure of any person or entity (including Tenant, or its contractors or subcontractors) to pay prevailing wages as determined pursuant to Labor Code Sections 1720 et seq., to hire apprentices in accordance with Labor Code Sections 1777.5 et seq., or to comply with the other applicable provisions of Labor Code Sections 1720 et seq., 1725.5, 1771, 1771.1, 1771.4, 1776, 1777.5 et seq., 1810-1815 and the implementing regulations of the DIR in connection with the work performed pursuant to this Agreement. The provisions of this Section shall survive termination of this Agreement.

Section 4.7 Project Labor Agreement.

Tenant shall, before commencing demolition of the Existing Improvements and construction of the Improvements and as a condition of approval of the construction contract by the County, enter into a project labor agreement ("PLA") with the Building and Construction Trades Council of Alameda County and its affiliated trades unions, which PLA shall include the required components for a PLA set forth in the County's Measure A-1 Implementation Guidelines at Section X(F), unless any other funding source imposes a PLA requirement or if a PLA is prohibited by State or Federal law, regulations or funding conditions.

Section 4.8 Local Employment and Contracting.

Tenant shall use good faith and commercially reasonable efforts to meet the numeric goals set forth in the Measure A-1 Implementation Guidelines at Section VIII(B) related to local hiring, Section IX(A) related to local contracting and Section IX(B) related to small local contracting with respect to the demolition of the Existing Improvements and construction of the Improvements.

Section 4.9 No Liens.

The Tenant shall not have any right, authority or power to bind the County, or the County's fee interest in the Property, for any claim for labor or material or for any other charge or expense, lien or security interest incurred in connection with the demolition of the Existing Improvements or development, construction or operation of the Improvements or any change, alteration or addition thereto including, but not limited to any Major Additional Improvements. The Tenant shall not have any right to encumber the Tenant's estate in the Property without the written consent of the County. Any easements necessary and incidental to the demolition of the Existing Improvements and development, construction and operation of the Improvements over the Property are subject to the approval of the County, which shall not be unreasonably withheld, delayed, or conditioned.

Section 4.10 Permits, Licenses and Utility Easements.

At no cost to the County, the County shall cooperate with the Tenant in the submittal of applications for all required permits, licenses, applications for utility services and easements, provided that the Tenant shall be responsible for obtaining any and all permits, licenses, easements and other authorizations required by any Governmental Authorities with respect to any construction or other work to be performed on the Property and for granting or causing to be granted all permits, licenses, easements and other governmental authorizations that are necessary or helpful for electric, telephone, gas, water, sewer, drainage, access and such other public or private utilities or facilities as may be reasonably necessary or desirable in connection with the demolition of the Existing Improvements and construction or operation of the Improvements. Notwithstanding the foregoing, where the County serves as the Governmental Authority with jurisdiction to issue any required regulatory and/or ministerial permit, license, easement or other authorization, Tenant understands and acknowledges that County must issue any such approval in an independent capacity in accordance with applicable laws, regulations and standards, and is not obligated to issue the same solely by virtue of the existence of this Lease.

ARTICLE 5.
USE, CHARACTER, OPERATION AND MAINTENANCE OF IMPROVEMENTS

Section 5.1 Required and Permitted Uses

(a) Quality of Operations. The Parties recognize and acknowledge that the manner in which the Property and the Improvements are developed, used and operated are matters of critical concern to the County by reason of: (1) the prominence of the location of the Property, (2) the impact which the Improvements are expected to have upon the economic development of the surrounding area, and (3) the importance of affordable housing to the County. In order to give the County assurance as to the manner in which the Property and the Improvements will be used and operated, the Tenant agrees that at all times during the Term of this Lease, the Tenant will establish and maintain a quality of character and operation in accordance with this Lease.

(b) Regulatory Agreement. At all times Tenant shall operate the Property and Improvements in a manner consistent with the Regulatory Agreement.

(c) Annual Report. The Tenant shall provide the County with an annual report regarding its compliance with this section in accordance with the requirements of the Regulatory Agreement.

(d) Maintaining Quality. In order to maintain the quality of operation set forth in subsection (a) above following initial construction and opening of the Improvements, the Tenant shall periodically upgrade the furniture, fixtures, equipment and facilities on the Property as necessary to maintain the quality of operation of similar high quality multi-family housing developments in the San Francisco Bay Area. Upon request of the County, the Tenant shall confer with the County regarding actions necessary to meet the requirements of this subsection.

Section 5.2 Limitations on Use.

In addition to the covenants regarding the use of the Property set forth above, the Tenant further agrees:

(a) Not to use or permit the Property for any disorderly or unlawful purpose;

(b) Not to cause or permit any party from committing or maintaining any nuisance or unlawful conduct on or about the Property;

(c) Not to cause or permit any action by any party that would cause the Tenant to violate any of the covenants and conditions of this Lease with respect to the Improvements;

(d) Upon notice from the County, to take reasonable action, if necessary, to abate any action by any party that would cause a violation of this Lease;

(e) To permit the County and its agents upon not less than forty-eight (48) hours written notice to inspect the Property or any part thereof at any reasonable time during the Term, subject to the rights of any subtenants of the Property;

(f) Not to commit or suffered to be committed any waste in, on or about the Property;

(g) Not to cause or permit obnoxious odors to emanate or be dispelled from the Improvements;

(h) Not to permit undue accumulations of garbage, trash, rubbish, or any other refuse; and

(i) Not to use or permit to be used the Property for any purpose inconsistent with this Lease, the LDDA, and the Regulatory Agreement.

The Tenant shall maintain all portions of the Property in good repair and in a neat, clean, and orderly condition.

Notwithstanding the above, after demolition of the Existing Improvements and prior to commencement of construction of any Phase of the Improvements, Tenant may use the Property for interim non-residential uses subject to the approval of the Landlord, which approval shall not be unreasonably withheld, delayed or conditioned. Tenant shall be responsible for obtaining any permits and approvals necessary for any such interim uses and for all costs associated with such interim uses, including any restoration of the Property.

In the event that there arises at any time prior to the expiration of this Lease a condition in contravention of these maintenance and use standards, then the County shall give written notice to the Tenant of the deficiency. If the Tenant fails to cure the deficiency within thirty (30) days of the County's notice (or, if the deficiency is not susceptible of cure within such thirty (30) day period, the Tenant fails to commence the cure and thereafter to diligently pursue the cure to completion, in no event to exceed sixty (60) days from the date of the County's written notice), then the County shall have the right to enter the Property and perform all acts necessary to cure the deficiency or to take other recourse at law or in equity the County may then have and to receive from Tenant the County's cost in taking such action. The Parties further mutually agree that the rights conferred upon the County expressly include the right to enforce or establish a lien or other such encumbrance against the Property. The foregoing provisions shall be covenants running with the land until expiration of the Lease, enforceable by the County.

Section 5.3 Maintenance of Property and Improvements.

During the Term of this Lease, the Tenant shall operate and maintain Property and the Improvements in a high-quality manner. All Improvements repaired or replaced under this Lease shall be repaired or replaced with materials, apparatus, and facilities of a quality at least equal to the quality of the materials, apparatus and facilities repaired or replaced in accordance with Section 4.3. Prior to commencement of construction of any Phase of the Improvements, the Tenant shall keep the Property free of debris and trash and shall regularly conduct any necessary weed abatement or other activity to keep the Property in clean and well-maintained condition. Tenant shall be responsible for securing the Property and maintaining any security fences necessary to prevent trespassing and squatting on the Property.

Section 5.4 Cost of Operation and Maintenance of Improvements.

As between the County and the Tenant, all costs incurred in the development, operation, and maintenance of the Improvements shall be paid by the Tenant.

Section 5.5 The County Not Obligated to Repair.

The County shall not be obligated to make any repairs, replacements or renewals of any kind, nature or description whatsoever to the Improvements, and the Tenant hereby expressly waives all right to make repairs at the County's expense under Section 1941 and 1942 of the California Civil Code, as either or both may from time to time be amended, replaced or restated.

Section 5.6 Non-discrimination.

There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, age, handicap, marital status, source of income, veterans status, ancestry or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Improvements, or any part thereof, and the Tenant or any person claiming under or through the Tenant, shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Improvements, or any part thereof.

The Tenant shall refrain from restricting the use of the Improvements, or any portion thereof, on the basis of race, color, creed, religion, sex, sexual orientation, age, handicap, marital status, ancestry, or national origin of any person.

Section 5.7 Compliance with Laws.

The Tenant shall, at Tenant's sole cost and expense, comply with all federal, state, county, municipal and other governmental statutes, laws, rules, orders, regulations and ordinances affecting the Improvements the use thereof, or construction thereon, including those which require the making or any structural, unforeseen or extraordinary changes, whether or not any such statutes, laws, rules, orders, regulations or ordinances which may be hereafter enacted were within the contemplation of the Parties at the time of execution of this Lease, or involve a change of policy on the part of the Governmental Authority enacting the same.

The Tenant shall comply with each and every requirement of all policies of public liability, fire, and other insurance which at any time may be in force with respect to the Improvements.

Section 5.8 Property Taxes.

The Tenant acknowledges and agrees that this Lease may create a possessory interest subject to property taxation. Subject to the Tenant's rights of contest as provided in Section 5.16, the Tenant agrees to pay and discharge, or cause the payment and discharge, during the Term of the Lease, before delinquency, all taxes (including, without limitation, possessory interest taxes associated with the Property, the Lease, and any so-called value added tax), assessments (including without limitation, all assessments for public improvements or benefits, whether or not to be completed prior to the date hereof and whether or not to be completed within the Term of the Lease), fees, levies, water and sewer rents, rates and charges, vault license fees or rentals, license and permit fees and other governmental charges of any kind or nature whatsoever, general and special, ordinary and extraordinary, foreseen, currently or hereafter levied or assessed in lieu of or in substitution of any of the foregoing (all of the foregoing collectively called "Taxes") which are or may be at any time or from time to time during the Term of the Lease levied, charged, assessed or imposed upon or against the Property or the Improvements which are located thereon, or against any of the Tenant's Personal Property located thereon, or which may be levied, charged, assessed or imposed upon or against the leasehold estate created hereby or which may be imposed upon any taxable interest of the Tenant acquired pursuant to the Lease. The Tenant shall pay or reimburse the County, as the case may be, for any fines, penalties, interest or costs which may be added by the collecting authority for the late payment or nonpayment of any Taxes required to be paid by the Tenant hereunder. Nothing herein shall prevent the Tenant from applying for a property tax exemption for all or a portion of the Property pursuant to Revenue and Taxation Code Section 214(g). It shall be Tenant's sole obligation at its sole cost to make any application to obtain any such exemption and to take such additional actions to obtain or maintain such exemption. Tenant's failure to make such applications or to take such actions to obtain and maintain any exemption from taxation shall not excuse Tenant's obligation to pay any resulting tax bill. The County shall not be obligated to waive or exempt Tenant from taxation related to this Lease by virtue of its legal duty to impose or collect taxes or to administer any exemption from taxation.

Section 5.9 Limits of Tax Liability.

The provisions of this Lease shall not be deemed to require the Tenant to pay municipal, county, state or federal income or gross receipts taxes (except as provided below) or excess profits taxes assessed against the County, or municipal, county, state or federal capital levy, estate, succession, inheritance, gift or transfer taxes of the County, or corporation franchise taxes imposed upon any corporate owner of the fee of the Property; except, however, that the Tenant shall pay all taxes assessed by any Governmental Authorities by virtue of any operations by the Tenant conducted on or out of the Improvements.

Section 5.10 Apportionment of Taxes.

All Taxes for the fiscal or tax years in which the Term begins and ends shall be apportioned so that the Tenant shall pay only those portions thereof that will correspond with the portion of said years as are with the Term.

Section 5.11 Tax Receipts.

The Tenant, upon the request of the County, shall furnish to the County within thirty (30) days after the date when any such Taxes would become delinquent, official receipts of the appropriate taxing authority or other evidence reasonably satisfactory to the County or such mortgagee evidencing the payment of such Taxes.

Section 5.12 Evidence of Nonpayment.

The receipt by the County of a certificate, advice, receipt or bill of the appropriate official designated by law to make or issue the same or to receive payment of any such Taxes, stating the nonpayment of such Taxes shall be prima facie evidence that such Taxes are due and unpaid or have not been paid at the time of the making or issuance of such certificate, advice, receipt or bill.

Section 5.13 Assistance in Making Payments.

The Parties acknowledge that Tenant is responsible under this Lease for making various payments to third parties, such as tax and utility payments in accordance with the provisions of this Article 5. In case any person or entity to whom any sum is directly payable by the Tenant under any of the provisions of this Lease (e.g., a tax collector or utility company) shall refuse to accept payment of such sum from the Lessee (due to the fact that the Tenant is not the fee owner of the Property or for any other reason), the Tenant shall thereupon give written notice of such fact to the County and shall pay such sum directly to County at the address specified in Section 13.1 hereof, and County shall thereupon pay such sum to such person or entity.

Section 5.14 The County's Right to Cure.

If the Tenant, in violation of the provisions of this Lease, shall fail to pay and to discharge any Taxes, or any other tax or fee, the County may (but shall not be obligated to) pay or discharge such Taxes, and the amount paid by the County and the amount of all costs, expenses, interest and penalties connected therewith, including attorneys' fees, together with interest at the Default Interest Rate shall be deemed to be and shall, upon demand of the County, be payable by the Tenant as repayment of an Advance.

Section 5.15 Permitted Contests.

The Tenant shall not be required to pay, discharge or remove any Taxes (including penalties and interest) upon or against the Improvements, or any part thereof, so long as the Tenant shall in good faith contest the same or the validity thereof by appropriate legal proceedings and shall give to the County prompt notice in writing of such contest at least ten (10) days before any delinquency occurs and such legal proceedings shall operate to prevent the collection of the taxes so contested, or the sale of the Improvements, or any part thereof, to satisfy the same; and the Tenant shall, prior to the date such taxes are due and payable, (a) meet all requirements for contest imposed by the taxing entity whose Tax is being contested (including, without limitation, depositing any sums required by such taxing entity), and (b) if the taxing entity does not otherwise require such a deposit, deposit with the County, in a form reasonably acceptable to the County, that portion of the Tax which the Tenant in good faith does not propose to contest. In the event the final determination of any such contest is adverse to the Tenant, the Tenant shall, before any fine, interest, penalty or cost may be added thereto for nonpayment thereof, pay fully and discharge the amounts involved in or affected by such contest, together with any penalties, fines, interest, costs and expenses that may have accrued thereon or that may result from any such contest by the Tenant, and after such payment and discharge by the Tenant, the County shall promptly return to the Tenant any deposit that the Tenant shall have placed with the County. Any proceedings to contest the validity or amount of taxes or to recover back any taxes paid by the Tenant shall be brought by the Tenant, at the Tenant's sole expense, in the name of the Tenant. If any such proceedings are brought by the Tenant, the Tenant shall indemnify and hold harmless the County against any and all loss, cost or expense of any kind (including, but not limited to, reasonable attorneys' fees and expenses) which may be imposed upon or incurred by the County in connection with those proceedings.

The County shall cooperate with the Tenant in providing the Tenant information in connection with contests permitted under this Section.

Section 5.16 Service and Utilities.

The Tenant shall pay promptly as the same become due and payable all charges, costs, bills and expenses of and for water, gas, electricity, sewer, air-conditioning, telephone and all other public or private services and utilities of whatever kind furnished or supplied to or used by the Tenant or any other party in connection with the use, occupancy, maintenance or operation of the Improvements or any part thereof, and shall comply with all contracts relating to such services and shall do all other things necessary and required for the maintenance and continuance of such services (other than services and utilities charged directly to the subtenants).

Section 5.17 Hazardous Materials.

(a) Covenants.

(1) No Hazardous Materials Activities. The Tenant hereby represents and warrants to the County that, at all times from and after the Effective Date, the Tenant shall not cause or permit the Property or the Improvements thereon to be used as a site for the use, generation, manufacture, storage, treatment, release, discharge, disposal, transportation or presence of any Hazardous Materials.

(2) Hazardous Materials Laws. The Tenant hereby represents and warrants to the County that, at all times from and after the Effective Date, the Tenant shall comply and cause the Property and the Improvements thereon to comply with all Hazardous Materials Laws, including without limitation, those relating to soil and groundwater conditions.

(3) Notices. The Tenant hereby represents and warrants to the County that, at all times from and after the Effective Date, the Tenant shall immediately notify the County in writing of: (i) the discovery of any Hazardous Materials on or under the Property; (ii) any knowledge by Tenant that the Property does not comply with any Hazardous Materials Laws; (iii) any claims or actions pending or threatened against the Tenant, the Property or the Improvements thereon by any Governmental Authorities or any other person or entity relating to Hazardous Materials or pursuant to any Hazardous Materials Laws (collectively "Hazardous Materials Claims"); and (iv) the discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Property.

(4) Remedial Action. In response to the presence of any Hazardous Materials on, under or about the Property, the Tenant shall immediately take, at Tenant's sole expense, all remedial action required by any Hazardous Materials Laws or any judgment, consent decree, settlement or compromise with respect to any Hazardous Materials Claims.

(b) Inspection by County. Upon reasonable prior written notice to the Tenant, the County, its employees and agents, may from time to time enter and inspect the Property for the purpose of determining the existence, location, nature and magnitude of any past or present release or threatened release of any Hazardous Materials into, onto, beneath or from the Property.

(c) Environmental Indemnity. Without limiting the generality of the indemnity set forth elsewhere in this Lease, the Tenant shall defend, indemnify, and hold the County and its supervisors, employees, agents, successors, and assigns free and harmless against any claims, loss, damage, costs, expense or liability they may incur directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, or disposal by the Tenant or its contractors, subcontractors, tenants, agents, and employees, of Hazardous Materials on, under, or about the Property, the Existing Improvements, or the Improvements, including without limitation: (1) all foreseeable consequential damages; (2) the costs of any required or necessary repair, cleanup or detoxification of the Property or the Improvements, and the preparation and implementation of any closure, remedial or other required plans; and (3) all reasonable costs and expenses incurred by the County in connection with clauses (1) and (2), including but not limited to reasonable attorney's fees. This obligation to indemnify and defend shall survive termination of this Lease. Notwithstanding the foregoing, Tenant shall not be responsible for indemnifying or defending the County against third party claims, losses, damages, costs, or liabilities arising from the presence of Hazardous Materials on the Property that were not placed, used, or disturbed by Tenant or its contractors, subcontractors, tenants, guests, invitees, agents, employees, successor and assigns. However, Tenant shall, during the term of this Lease, remain responsible for remediating any conditions existing on the Property and the Existing Improvements pursuant to applicable laws and regulatory requirements.

ARTICLE 6.
TITLE TO IMPROVEMENTS; QUIET ENJOYMENT; INSPECTIONS.

Section 6.1 During the Term.

The County hereby grants to the Tenant, without warranty express or implied, any right, title, or interest that the County has or may have in the improvements now or hereafter located on the Property, which improvements are and shall at all times during the Term be deemed real property. Notwithstanding any provision in this Lease to the contrary, the Existing Improvements, Improvements and all alterations, additions, equipment and fixtures built, made or installed by the Tenant in, on, under or to the Property or the Improvements shall be the sole property of the Tenant until the expiration of the Term or other termination of this Lease; provided, however, that the Tenant shall have no right to destroy, demolish or remove the Improvements, or any portion thereof, except as specifically provided for in this Lease or as approved in writing by the County. It is the intent of the Parties hereto that this Lease shall create a constructive notice of severance of the Improvements from the Property without the necessity of a deed from the County after the Improvements have been constructed.

Section 6.2 After the Term.

Upon the expiration of the Term or other termination of the Lease, the Improvements and all alterations, additions, equipment, and fixtures shall be deemed to be and shall automatically become the property of the County, without cost or charge to the County. The Tenant agrees to execute, at the request of the County at the end of the Term, a quitclaim deed of the Improvements to the County to be recorded at the County's option and expense and any other documents that may be reasonably required by the County or the County's title company to provide the County title to the Property and the Improvements free and clear of all monetary liens and monetary encumbrances not caused or agreed to by the County.

Section 6.3 Benefits of Improvements During Term.

The County acknowledges and agrees that any and all depreciation, amortization, tax credits and other tax benefits for federal or state tax purposes relating to the Improvements located on the Property and any and all additions thereto, substitutions therefor, fixtures therein and other property relating thereto shall be deducted or credited exclusively to the Tenant during the Term and for the tax years during which the Term begins and ends.

Section 6.4 Quiet Enjoyment.

The County covenants and warrants that the Tenant shall peaceably and quietly have, hold, occupy, use and enjoy, and shall have the full, exclusive and unrestricted use and enjoyment of, all of the Property during the Term, subject only to the provisions of this Lease and all applicable legal requirements of the Governmental Authorities.

Section 6.5 The County's Right of Inspection.

Notwithstanding Section 6.4 above, the County, in person or through its agents, upon at least forty-eight (48) hours prior written notice to the Tenant, shall have the right to enter upon the Property for purposes of reasonable inspections performed during reasonable business hours in order to assure compliance by the Tenant with its obligations under this Lease, subject to the rights of any subtenants.

ARTICLE 7. ASSIGNMENT AND SUBLETTING

Section 7.1 Definitions.

Transfer means:

(a) Any total or partial sale, assignment or conveyance, or any trust or power, or any transfer in any other mode or form, of or with respect to this Lease or of the leasehold in the Property or fee estate in the Improvements or any part thereof or any interest therein, of the Improvements constructed thereon;

(b) Any total or partial sale, assignment or conveyance, any trust or power, or any transfer in any other mode or form, of or with respect to the majority ownership of the Tenant or any contract to any of the same, including without limitation, any transfer or sale of any interest in the Tenant for financing purposes unless approved by the County as part of the approved Financing Plan;

(c) Any merger, consolidation, sale, lease, assignment, or conveyance of all or substantially all of the assets of Tenant; or

(d) The subletting of part or all of the Property (except in accordance with this Lease);

Section 7.2 Purpose of Restrictions on Transfer; Applicability.

This Lease is granted to the Tenant solely for the purpose of development and operation of the Improvements, and its subsequent use in accordance with the terms of this Lease, and not for speculation in landholding. The Tenant recognizes that, in view of the following factors, the qualifications and identity of the Tenant are of particular concern to the community and County:

(a) The importance of the redevelopment of the Improvements to the general welfare of the community;

(b) The fact that a Transfer as defined in Section 7.1 above is for practical purposes a transfer or disposition of the leasehold interest in the Property then owned by Tenant; and

(c) The fact that the Improvements are not to be acquired, developed, or used for speculation, but only for development and operation by Tenant in accordance with this Lease and the LDDA.

Tenant further recognizes that it is because of such qualifications and identity that County is entering into this Lease with Tenant and that Transfers are permitted only as provided in this Lease.

Section 7.3 Prohibited Transfers.

Except as expressly permitted in this Lease, Tenant represents and agrees that Tenant has not made or created, and shall not make or create or suffer to be made or created, any Transfer, either voluntarily or by operation of law.

Any Transfer made in contravention of this Section 7.3 shall be void and shall be deemed to be a default under this Lease whether or not Tenant knew of or participated in such Transfer.

Section 7.4 Permitted Transfers.

Notwithstanding the provisions of Section 7.3, the following Transfers shall be permitted and approved by County:

(a) Any Transfer solely and directly resulting from the death or incapacity of an individual;

(b) The Transfer of a portion of the Property to Tenant Affiliate for the purposes of development of a Phase of the Improvements by such Tenant Affiliate, provided Tenant provides evidence to the County that the proposed transferee meets the requirements for a Tenant Affiliate;

(c) The lease of individual residential units or commercial spaces;

(d) Transfer of the Property and Improvements to an Approved Security Interest Holder by foreclosure or deed-in-lieu of foreclosure (or the leasehold equivalent thereof), or to a third-party purchaser pursuant to a foreclosure sale (or the leasehold equivalent thereof);

(e) A Transfer of a limited partnership interest in the Tenant or Tenant Affiliate to a tax credit investor (the "Investor"), or to an affiliate of the Investor (provided such affiliate provides documentation reasonably acceptable to the County that the affiliate has sufficient financial capability to provide the capital contributions set forth in the Final Financing Plan) and future transfers of such interest provided that: (i) the Tenant or Tenant Affiliate's partnership agreement provides for capital contributions of the Investor consistent with Closing Financing Plan and is first approved by the County in its reasonable discretion; (ii) all documents associated with the tax credit syndication of the Phase are submitted to the County for approval prior to execution, which approval shall not be unreasonably withheld; and (iii) in subsequent transfers the Investor (or an affiliate of the Investor reasonably acceptable to the County) remains liable for all unpaid capital contributions. In the event the general partner of the Tenant or Tenant Affiliate is removed by the limited partner of the Tenant or Tenant Affiliate for cause following default under the Tenant's or Tenant Affiliate's partnership agreement, the County hereby approves the transfer of the general partner interest to an entity that is selected by the limited partner and approved in advance and in writing by the County, which approval shall not be unreasonably withheld.

(f) The transfer of the limited partnership interest in Tenant or a Tenant Affiliate to an affiliate of investor limited partner or a transfer of an interest in the investor limited partner;

(g) Grants and easements for the establishment, operation, and maintenance of utility services, provided however any easements affecting the County's fee interest in the Property shall require the County's consent; and

(h) The removal of a general partner of the Tenant pursuant to the Partnership Agreement and the replacement of such general partner with an affiliate of the investor limited partner subject to the reasonable approval of the County.

Section 7.5 Procedure for County Approval of Certain Transfers.

In the event the Tenant desires to effect a Transfer, the Tenant shall first submit to County information regarding such proposed Transfer including the proposed documents to effectuate the Transfer, a description of the type and amount of consideration for the Transfer, and information regarding the proposed transferee's financial strength and the proposed transferee's capacities and expertise with respect to operation and management of similar mixed-use developments. The County shall approve the Transfer by written notice to the Tenant if, based upon the information submitted by the Tenant and any other information available to the County, it appears that following the Transfer, the new Tenant will be of sound reputation and will have sufficient financial strength and management and operation expertise in the ownership and operation of multi-family residential developments, to fully perform and comply with all terms of this Lease.

Unless the proposed Transfer is disapproved by County within sixty (60) days, which disapproval shall state with reasonable specificity the basis for disapproval, it shall be deemed approved.

Section 7.6 Effectuation of Certain Permitted Transfers.

No Transfer of this Lease (as opposed to a Transfer in whole or in part of an interest in the Tenant) permitted pursuant to Section 7.4 (other than the lease of the residential units to tenants or the lease of any commercial space to tenants) shall be effective unless, at the time of the Transfer, the person or entity to whom such Transfer is made, by an instrument in writing reasonably satisfactory to County and in form recordable among the land records, shall expressly assume all of the obligations of the Tenant under this Lease and the applicable County

Documents Transferred to such transferee and agrees to be subject to all conditions and restrictions to which the Tenant is subject arising during such person's or entity's ownership of this Lease or the portions so Transferred. The Parties acknowledge and agree that it is the Parties intent to amend this Lease prior to the commencement of construction of the Phase 1 Improvements in order to limit this Lease to the Phase 1 Premises and to concurrently enter into the Phase Leases for the Phase 2 Premise and the Phase 3 Premises, such that from and after such amendments, each lease shall apply solely to a single Phase .

Section 7.7 Tenants of the Commercial Space.

The Parties acknowledge that the quality of the tenants in the commercial space is important to the overall success of the Property and is important to the Landlord in order to maintain the quality and character of the Property consistent with the goals and objectives of the County. In addition, in using the Property, the Tenant shall, at all times during the Term, operate the Property in a manner consistent with this Lease, and in conformance with all restrictions imposed by all applicable governmental laws, ordinances, codes, and regulations, and no use or operation shall be made, conducted or permitted on or with respect to all or any portion of a Parcel which is illegal. To that end the Parties agree that, to the extent the Tenant, or any party on behalf of the Tenant, selects or approves tenants, subtenants, or assignees of the commercial space, certain uses shall be prohibited and shall not be allowed under any circumstances. Prohibited uses include any use which emits a noxious or obnoxious odor, dust, vibration, noise or sound which can be heard or smelled outside any space within the Improvements; any operation primarily used as a wholesale or warehouse operation and any assembling, refining, smelting, agricultural or mining operation; any dry cleaning plant; any recycling facility except as required by law; any business where the primary enterprise is the sale of liquor or beer for off premise consumption; any business where the primary enterprise is the sale of cannabis; any adult-entertainment oriented establishments whether for sale, rent or on-site use, or viewing, including adult book stores/adult cabaret/adult motion picture theater/or adult arcade; any manufacturing facility; any establishments for the sale, storage, rental, and/or servicing of vehicles and vehicle parts; any facility using/storing or treating Hazardous Materials or facility for rent or storage spaces or for warehousing; any facility for the housing of passive components such as digital switching units; any sale of firearms, guns or explosives; any sale of military or security supplies or surplus; any massage parlor; any card room, fortune teller,; or any sale of drug paraphernalia or supplies. Notwithstanding the foregoing, the County hereby acknowledges that restaurant and market uses for the commercial space are expressly approved.

Section 7.8 Transfer by County.

In the event of a sale, assignment, transfer or conveyance by the County of the fee interest in the Property or of the County's rights under this Lease, the County shall be released from any future liability upon any of the covenants or conditions of this Lease, expressed or implied, in favor of the Tenant, and, in such event, the Tenant agrees to look solely to the successor in interest of the County in and to the Property or this Lease. This Lease shall not be affected by any such sale, and the Tenant agrees to attorn to any such purchaser or assignee.

Section 7.9 Successors and Assigns.

The terms, covenants and conditions contained in this Article 7 shall be binding upon and inure to the benefit of the heirs, successors, executors, administrators and assigns of the Parties hereto; provided, however, that there shall be no transfer of any interest by the Tenant except pursuant to the terms of this Lease.

ARTICLE 8.
INSURANCE; DAMAGE AND DESTRUCTION OF IMPROVEMENTS

Section 8.1 Insurance Requirements.

The Tenant shall submit to County evidence of the insurance coverage meeting the general requirements set forth in Exhibit D, on, or before, the Effective Date, provided any evidence of insurance required for construction purposes shall be submitted ten (10) days prior to commencement of any demolition or construction work on the Property. The County shall review and reasonably approve or disapprove of the evidence of insurance not less than ten (10) days after submission of complete information in the form required by the County. If the County disapproves the evidence of insurance, it shall specify in writing the reasons for such disapproval. The Tenant shall resubmit the information required within fifteen (15) days of the Tenant's receipt of the County's written notification. The review and submission periods shall continue to apply until the County approves the evidence of insurance coverage. Notwithstanding any provision to the contrary, this Lease shall not commence prior to County's approval of Tenant's insurance and no construction work shall be initiated on the Property prior to receipt of the County's approval of Tenant's insurance relating to construction. The County shall not unreasonably withhold, delay, or condition approval of any insurance.

Each contractor, and sub-contractor shall have furnished the County with evidence of the insurance coverage meeting the general insurance requirements set forth in Exhibit D, prior to initiating any work on the Property.

Section 8.2 No Termination of Lease; Obligation to Restore.

Except as otherwise provided in Section 8.3 or 8.4, no loss or damage by fire or any other cause resulting in either partial or total destruction of any buildings or the Improvements now or hereafter located in, upon or on the Property, or any fixtures, equipment or machinery used or intended to be used in connection with the Improvements shall operate to terminate this Lease, or to relieve or discharge the Tenant from the payment of any Rent or other amounts payable under this Lease, as Rent or otherwise, as and when they become due and payable, or from the performance and observance of any of the agreements, covenants and conditions herein contained to be performed and observed by the Tenant. The Tenant hereby waives the provisions of Section 1932, subsection 2, and of Section 1933, subsection 4 of the California Civil Code, as either or both may from time to time be amended, replaced, or restated. Except as provided in Section 8.3 and 8.4, the Tenant shall promptly repair, or cause the prompt repair of, any damage or destruction caused to the Improvements and restore the Improvements to at least as good a condition as existed prior to the damage or destruction, as more specifically provided in Section 8.5. The Tenant's failure to make such full repair and restoration under any conditions in which it has elected or is required so to do shall constitute a Tenant Event of Default under this Lease.

Section 8.3 Damage or Destruction Occurring Prior to Final Years of Term.

The following provisions shall apply in cases of damage or destruction not described in Section 8.4:

(a) If the Improvements on the Property are damaged or destroyed by any casualty where (1) the casualty causing such damage or destruction is required to be insured against under the terms of this Lease, and (2) the insurance proceeds available are in an amount of not less than ninety-five percent (95%) of the amount necessary to repair and restore such Improvements, then the Tenant shall make full repair of such damage and shall restore the Improvements in accordance with the provisions of Sections 8.2 and 8.5.

(b) If the Improvements on the Property are damaged or destroyed by any casualty where (1) the casualty causing such damage or destruction is required to be insured against under the terms of this Lease, (2) the Tenant is not in default with respect to its obligation under this Lease to maintain insurance against the casualty causing such damage or destruction, and (3) the insurance proceeds available are in an amount that is less than ninety-five percent (95%) of the amount necessary to repair and restore such Improvements, then the Tenant shall have the right, at the Tenant's election, to (1) terminate this Lease in accordance with the provisions of Section 8.6, or (2) make full repair of such damage and to restore the Improvements in accordance with the provisions of Sections 8.2 and 8.5, or (3) repair such damage or restore the Improvements to the extent necessary to preserve them and make them safe, and in addition, to the extent of the insurance proceeds available.

(c) If the Improvements on the Property are damaged or destroyed by any casualty where (1) the casualty causing such damage or destruction is required to be insured against under the terms of this Lease, and (2) the Tenant is in default with respect to its obligation under this Lease to maintain insurance against the casualty causing such damage or destruction, then the Tenant shall make full repair of such damage and shall restore the Improvements in accordance with the provisions of Section 8.2 and 8.5.

(d) If the Improvements on the Property are damaged or destroyed by any casualty where the casualty causing such damage or destruction is not required to be insured against under the terms of this Lease, then the Tenant shall have the right, at the Tenant's election, to (1) terminate this Lease in accordance with the provisions of Section 8.6, or (2) make full repair of such damage and to restore the Improvements in accordance with the provisions of Section 8.2 and 8.5, or (3) repair such damage or restore the Improvements to the extent necessary to preserve them and make them safe, and in addition, to the extent of the insurance proceeds available.

Section 8.4 Damage or Destruction During Final Years of Term.

In the event of major damage or destruction to the Improvements on the Property during the last five (5) years of the Term, the Tenant shall have the right, at the Tenant's election, to either make full repair of such damage and fully restore the Improvements on the Property in accordance with the provisions of Sections 8.2 and 8.5 or to terminate this Lease, and provided that if the Tenant elects to terminate this Lease, the Tenant shall comply with all of the following conditions:

(a) The Tenant shall give the County written notice of the damage or destruction within ten (10) days after the event causing such damage or destruction;

(b) There shall not then exist an Event of Default (or an event which, after notice and the passage of time as required by this Lease without cure of such event, would constitute an Event of Default);

(c) As promptly as is feasible, the Tenant shall repair or restore the damaged Improvements to the extent necessary to preserve them and make them safe from immediate danger to the public; and

(d) The Tenant shall deliver possession of the Property and the Improvements thereon to the County and shall quitclaim to the County all right, title and interest in the Property and the Improvements thereon.

Major damage or destruction to the Improvements on the Property (as used in this Section) means damage or destruction where the cost to make full repair of such damage and restore the Improvements in accordance with the provisions of Sections 8.2 and 8.5 would be fifty percent (50%) or more of the replacement cost of all of the Improvements on the Property in their entirety. The calculation of such percentage shall be based upon the replacement cost of the Improvements on the Property as of the date of the damage or destruction. The determination of whether any particular damage or destruction constitutes major damage or destruction within the meaning of this paragraph shall be determined and certified by a professional cost estimator experienced in such matters and mutually designated by the County and the Tenant within ten (10) days of the occurrence of such damage or destruction. If the Parties are unable to designate a mutually acceptable cost estimator within such period, either party may apply to the presiding judge of the Superior Court of Alameda County who shall appoint such cost estimator.

Section 8.5 Procedure for Repair and Restoration.

The provisions of this Section shall apply whenever the Improvements on the Property are to be repaired or restored under the provisions of this Article.

(a) In the event of any damage or destruction to the Property or the Improvements, the Tenant shall promptly give the County written notice of such damage or destruction, setting forth the cause (if known), the date on which such damage or destruction occurred, and the estimated cost of repair and restoration as certified by a professional cost estimator experienced in such matters. Whenever any part of the Property or the Improvements shall have been damaged or destroyed, the Tenant shall promptly make proof of loss and shall proceed promptly to collect, or cause to be collected, all valid claims which the Tenant may have against insurers or others based upon any such damage or destruction. Except as otherwise provided below, sums of money received as payments for any losses pursuant to said insurance policies shall be used and expended for the purpose of fully repairing or reconstructing the portions of the Property or the Improvements which have been destroyed or damaged in accordance with the procedures of subsections (b) and (c) below, unless the Tenant has established alternate procedures that, in the County's reasonable judgment, will accomplish the use and expenditure of the insurance proceeds to effectuate full repair or reconstruction of the portions of the Property or the Improvements which have been destroyed or damaged in a more effective manner than the procedures set forth in subsections (b) and (c).

The provisions of subsection (d) below shall apply regardless of the procedure employed for the use and expenditure of insurance proceeds.

(b) Within one hundred eighty (180) days after the event of damage or destruction, the Tenant shall make available to the Insurance Trustee, described in subsection (c) below, the difference, if any, between the certified estimated cost of repair and restoration and the amount of insurance proceeds anticipated to be received for such repair and restoration (such amount is hereinafter referred to as the "Tenant Contribution").

(c) All proceeds of insurance together with the Tenant Contribution, if any, shall be paid by the Tenant to the insurance trustee, which insurance trustee shall be a commercial bank or trust company experienced in such matters and designated by the County and approved by Tenant and the Approved Security Interest Holders (the "Insurance Trustee"). The Insurance Trustee shall hold such proceeds in trust and shall disburse same to the Tenant as follows: from time to time as the work of restoration progresses, the Tenant shall submit to the Insurance Trustee a certificate of the Tenant, signed by an authorized officer or representative thereof, and approved by an architect selected by the Tenant and approved by the County (the "Architect"), which certificate shall:

(1) accurately describe the work for which the Tenant is requesting payment and the cost incurred by the Tenant in connection therewith,

(2) certify that the Tenant has not theretofore received payment for such work, and

(3) conditional lien releases based upon payment executed by all persons or entities supplying labor or materials in connection with such work; and

(4) contain or be accompanied by a statement by the Tenant that the work for which the Tenant is requesting payment has been performed substantially in accordance with plans and specifications therefor approved by the County.

Within five (5) days after receipt of any such certificate, the Insurance Trustee shall pay to the Tenant, from the funds on hand, an amount equal to ninety percent (90%) of the amount of the cost of the work for which the Tenant is requesting payment, as shown on such certificate. Upon completion of such work, the remainder of such cost (to the extent of the balance of the funds held by the Insurance Trustee) and all other insurance proceeds held by the Insurance Trustee shall be paid to the Tenant within five (5) days after the delivery to the Insurance Trustee of a certificate of the Tenant, signed by an authorized officer or representative thereof and approved by the Architect for the work, stating that the work has been completed and setting forth the total cost thereof, which certificate shall: (1) contain or be accompanied by a statement by the Tenant that the work has been completed substantially in accordance with plans and specifications therefor approved by the County; and (2) be accompanied by either (A) an unconditional waiver or release of mechanics' and materialmen's liens executed by all persons or entities supplying labor or materials in connection with such work or (B) other evidence reasonably satisfactory to the County that the period for filing any such lien has expired and no such lien has been filed, or, if filed, has been bonded by the Tenant to the reasonable satisfaction of the County and the Insurance Trustee. The Insurance Trustee shall not be required to invest or pay interest on any funds held by such trustee, except in accordance with any agreement between the Tenant and the Insurance Trustee.

(d) The Tenant shall promptly commence and complete, in a good and workmanlike manner and in accordance with Article 4, the reconstruction or repair of any part of the Property or the Improvements thereon damaged or destroyed after (1) the County has approved the Tenant's plans, drawings, specifications and construction schedule for such reconstruction or repair as such approval may be required under Article 4, and (2) the proceeds of insurance, if any, applicable to such reconstruction or repair have been made available for such purpose.

Section 8.6 Procedures Upon Permitted Termination.

Upon termination of this Lease pursuant to Section 8.3 or 8.4, insurance proceeds for the Improvements not used in repair or restoration shall be distributed as follows:

(a) First, to the Approved Security Interest Holder(s), the amount required by such Approved Security Interest Holder(s).

(b) Second, at the option of the County, to the County in the amount necessary to raze the remaining Improvements, clear the Property, make it safe, and return the Property to the condition of a developable pad.

(c) Third, any balance shall be divided between the County and the Tenant on the following basis: Proceeds for Improvements having a remaining useful life less than the remaining Term as of the termination date shall be paid to the Tenant. A proportionate share of proceeds for the Improvements having a remaining useful life greater than the remaining Term as of the termination date, calculated by the ratio that the remaining Term bears to the remaining useful life, shall be paid to the Tenant, and the balance of such proceeds for such Improvements shall be paid to the County.

All other insurance proceeds shall be paid to and become the sole property of the Tenant.

Section 8.7 Prosecution of Claims.

In connection with and as a condition of any termination pursuant to Section 8.3 or 8.4, the Tenant shall make proof of loss and proceed to collect or commence collection of all valid claims which the Tenant may have against insurers or others based upon such damage or destruction, and shall assign and transfer to the County all rights under insurance policies and against others and proceeds of insurance and other claims resulting from the casualty.

Upon termination of this Lease, the Tenant shall deliver possession of the Property and the Improvements thereon to the County and quitclaim to the County all right, title and interest in the Property and the Improvements thereon.

ARTICLE 9. APPROVED SECURITY INTERESTS

Section 9.1 Right to Encumber the Leasehold Estate.

The Tenant shall have the right during the Term to encumber, through an Approved Security Interest pursuant to the County approved Financing Plan, all of the Tenant's right, title and interest in the Property subject to the provisions of this Lease; provided, however, any Approved Security Interest shall remain subordinate and inferior to County's right, title, and interest in the Property and, upon acquisition of the leasehold interest in the Property, any foreclosing Approved Security Interest Holder's rights to the Property shall be subject to the terms and provisions of this Lease and provided further, any Approved Security Interest shall be limited to funding costs associated with the Improvements on the Property. In no event shall Tenant place any encumbrance on the Tenant's right, title or interest in the Property or the Improvements that provides financing for any purpose other than the Property and the Improvements. Landlord and Tenant agree that, so long as any Approved Security Interest encumbers the leasehold interest in the Property, the prior written consent of the Approved Security Interest Holder shall be required (a) in connection with any agreement by Landlord and Tenant (or their respective successors and assignees) to cancel, waive, terminate (other than termination following an Event of Default), surrender, amend or modify this Lease, (b) with respect to any acceptance by Landlord of any attempted cancellation, termination, or surrender of this Lease or the on the part of Tenant, and/or (c) with respect to any termination or cancellation of the Lease by Tenant and/or Landlord pursuant to Article 8, or any other provision of the Lease which gives the Tenant and/or the Landlord an express right to terminate or cancel the Lease (other than termination following an Event of Default).

Section 9.2 Notice to Approved Security Interest Holders. During any period in which an Approved Security Interest is in place, the Landlord shall give any such Approved Security Interest Holder of which the Landlord has received notice from the Tenant, a duplicate copy of all notices of default or other notices that Landlord may give to or serve in writing upon Tenant pursuant to the terms of this Lease. The address of the Approved Security Interest Holder originally designated in the Approved Security Interest may be changed upon written notice delivered to Landlord in the manner specified in Section 13.1 below. The Landlord's failure to give any such notice to any such Approved Security Interest Holder shall not render such notice ineffective, nor shall any such failure constitute an Event of Default hereunder; provided, however, all rights of the Landlord to terminate this Lease as the result of the occurrence of any Event of Default shall be subject to, and conditioned upon: (i) the Landlord having first given Approved Security Interest Holders, notice of such Event of Default, and; (ii) the Approved Security Interest Holder, having failed to remedy such default or acquire the Tenant's leasehold estate created pursuant to this Lease, or commence foreclosure or other appropriate proceedings in the nature thereof within the time and manner set forth in Section 9.3, below, as applicable.

Section 9.3 Right to Perform and Right to Cure. Each Approved Security Interest Holder, shall have the right, but not the obligation, at any time prior to termination of this Lease and without payment of any penalty other than the interest on unpaid Rent, to pay all of the Rents due hereunder, to effect any insurance, to pay any taxes and assessments, to make any repairs and improvements, to do any other act or thing required of the Tenant hereunder, and to do any act or thing which may be necessary and proper to be done in the performance and observance of the agreements, covenants and conditions set forth in this Lease to prevent a termination of this Lease as the same would have been if made, done and performed by the Tenant instead of by an Approved Security Interest Holder. Should any event of default under this Lease occur, and not be cured by the Tenant within the applicable notice and cure period provided in this Lease, the Landlord shall not terminate this Lease nor exercise any other remedy hereunder unless it first gives written notice of such event of default to the Approved Security Interest Holders, and, thereafter, the Approved Security Interest Holder, shall have failed, within thirty (30) days of receipt of said written notice, either (i) to remedy such default; or (ii) to obtain title to Tenant's interest in the Property in lieu of foreclosure; or (iii) to commence foreclosure or other appropriate proceedings in the nature thereof and thereafter diligently prosecute such proceedings to completion. If the Approved Security Interest Holder takes any of the actions in (i) thru (iii) above, then such event of default shall be deemed remedied.

Section 9.4 Notice and Right to Cure Defaults Under Approved Security Interests. Upon the recording of the Memorandum of Lease, the County may record in the office of the Recorder of the County of Alameda a request for notice of any default under the Approved Security Interests. In the event of default by the Tenant under any of the Approved Security Interests, the County shall have the right, but not the obligation, to cure the default. Any payments made by the County to cure a default shall be treated as additional Rent due from the Tenant as provided in Article 3.

Section 9.5 Estoppel Certificates. The County and the Tenant agree that at any time and from time to time upon not less than twenty (20) days prior written notice by the other party, or upon request from any Approved Security Interest Holder or a permitted assignee or other interested party, the County or the Tenant shall execute, acknowledge and deliver to the other party or to such other parties a statement in writing certifying (a) that this Lease is unmodified and in full force and effect; (b) the date through which the Rent has been paid; and (c) that, to the knowledge of the certifier (if such be the case), there is no default, set-off, defense or other claim against the County or the Tenant, as applicable, other than those, if any, so specified under the provisions of this Lease. It is intended that any such statement may be relied upon by any persons proposing to acquire the interest of the County, the Tenant or any Approved Security Interest Holder, as the case may be, in this Lease or by any assignee of any Approved Security Interest Holder.

Section 9.6 Mortgage of County's Estate. The County agrees not to encumber or convey any interest in the County's fee interest in the Property with any deed to secure debt, mortgage, deed of trust or other instrument in the nature thereof as security for any debt which is not expressly subordinate to the Tenant's interest in the Property under this Lease and to any Approved Security Interest without the written consent of the Tenant. The County agrees not to permit any liens arising from work contracted for by the County to be filed against the Property without causing the same to be removed or bonded over within thirty (30) days of such filing.

Section 9.7 Registration of Approved Security Interests. The Tenant shall provide written notice to the County of the name and address of each Approved Security Interest under this Lease.

ARTICLE 10.
SURRENDER; HOLDING OVER

Section 10.1 Surrender of Property.

(a) The Tenant shall, at least ninety (90) days before the last day of the Term (as may be extended), give to County a written notice of Tenant's intention to surrender the Property and the Improvements thereon on that date, but nothing contained in this Section shall be construed as an extension of the Term of this Lease or as consent of County to any holding over by Tenant.

(b) At the end of the Term or other sooner termination of this Lease, Tenant shall surrender and deliver to County the Property and the possession of the Property, together with all Improvements and Personal Property the County is entitled to retain on the Property pursuant to the terms of this Lease, in condition required for the Property and Improvements to be maintained under this Lease, and free and clear of all liens and encumbrances other than those, if any, presently existing or created by County, without payment or allowance whatever by County on account of any such Improvements.

(c) Concurrently with the surrender of the Property, the Tenant agrees, if requested by County and for the benefit of County, to execute, acknowledge and deliver to the County a quitclaim deed to the Property and such instruments as may be reasonably requested by the County to evidence or otherwise effect such passage and vesting of title to the Improvements and Personal Property, if any, retained on the Property to the County.

Section 10.2 Holding Over.

If the Tenant shall retain possession of the Property or the Improvements thereon or any part thereof without the County's prior written consent following the expiration or sooner termination of this Lease for any reason, then the Tenant shall pay to the County an amount equal to two hundred percent (200%) of the fair market rent for the Property (as reasonably determined by the County) and other payments that would have been due had the Lease not expired or been terminated and had the Rent and other payment terms in effect at the time of the expiration or sooner termination of the Lease remained in effect. These payments shall be applicable to a holding over of any kind by the Tenant. The Tenant shall also indemnify and hold the County harmless from any loss or liability resulting from delay by the Tenant in surrendering the Property, including, without limitation, any claims made by any succeeding tenant founded on such delay. Acceptance of Rent by the County following expiration or termination shall not constitute a renewal of this Lease and nothing contained in this Section 10.2 shall waive the County's right of reentry or any other right. The Tenant shall be only a tenant at sufferance, whether or not the County accepts any Rent from the Tenant while the Tenant is holding over without the County's written consent.

Section 10.3 No Merger.

Except upon expiration of the Term or upon termination of this Lease pursuant to an express right of termination set forth herein, there shall be no merger of either this Lease or the Tenant's estate created hereunder with the fee estate of the Property or any part thereof by reason of the fact that the same person may acquire, own or hold, directly or indirectly, (a) this Lease, the Tenant's estate created hereunder or any interest in this Lease or the Tenant's estate (including the Improvements), and (b) the fee estate in the Property or any part thereof or any interest in such fee estate (including the Improvements), unless and until all persons, including any assignee of the County, having an interest in (i) this Lease or the Tenant's estate created hereunder, and (ii) the fee estate in the Property or any part thereof, shall join in a written instrument effecting such merger and shall duly record the same.

ARTICLE 11.
EMINENT DOMAIN

Section 11.1 Total Taking.

If either the entire Property (or any improvements thereon) or a substantial and essential portion of the Property (or any improvements thereon), the taking of which portion materially impairs the use of the Improvements then being made by Tenant and renders the remainder of the Improvements unsuitable or economically not feasible for such use, as reasonably determined by Tenant in good faith, is taken under the power of eminent domain during the Term of this Lease, then this Lease shall terminate as of the date of such taking. The County and the Tenant shall together make one claim for an award for their combined interests in the Property and all buildings, structures, Improvements, and fixtures thereon which are so taken. Such award shall be paid to and divided between the County and the Tenant in priority as follows:

(a) All compensation and damages payable for or on account of the underlying fee title to the Property, assuming that the Property were unimproved but encumbered by this Lease, shall be payable to and be the sole property of the County.

(b) All compensation and damages payable for or on account of the buildings and Improvements located on the Property shall be divided between the County and the Tenant in the manner specified in Section 8.6 of this Lease.

Section 11.2 Partial Taking.

If less than the whole of the Property is taken under the power of eminent domain during the Term of this Lease and this Lease is not terminated as provided in Section 11.1 hereof, then this Lease shall terminate only with respect to the portion of the Property taken and this Lease shall continue in full force and effect with respect to the portion of the Property not taken. The Tenant shall, but only to the extent of the amount of the award received, promptly reconstruct and restore the portion of the Property not taken and the buildings and Improvements located on the portion of the Property not taken as an integral unit of the same general quality and character as existed prior to such taking. Such reconstruction and restoration shall be performed in a good and workmanlike manner and undertaken in accordance with plans and specifications submitted to and approved by the County in accordance with Article 4, and otherwise in accordance with the applicable provisions of this Lease.

All awards or other payments received on account of a partial taking as described in this Section 11.2 shall be paid to the Insurance Trustee referred to in Section 8.5 above to be held and disbursed in the same manner as insurance proceeds, except that any portion of such award remaining after completion of any restoration shall be divided between the County and the Tenant and disbursed by the Insurance Trustee in the manner provided in Section 8.6.

Section 11.3 Temporary Taking.

If the use of all or any part of the Property is taken under the power of eminent domain during the Term on a temporary basis for a period less than the time remaining after the date of such taking to the end of the Term, then this Lease shall continue in full force and effect and the Tenant shall continue to be obligated to perform and observe all of the agreements, covenants and conditions on the part of the Tenant to be performed and observed as and when performance and observance is due to the full extent that such agreements, covenants and conditions are physically capable of performance and observance by the Tenant after such taking. The award payable for or on account of such taking shall be paid to the Tenant.

Section 11.4 Notice of Taking: Single Proceeding.

In case of a taking of all or any part of the Property or the Improvements thereon or the commencement of any proceeding or negotiations which might result in such taking, the party having notice of such taking or of the commencement of any such proceeding or negotiations shall promptly give written notice thereof to the other party. The County and the Tenant shall jointly prosecute their claims for an award in a single proceeding. In any eminent domain proceeding affecting the Property, both the County and the Tenant shall have the right to appear in the proceeding and to defend against the eminent domain action as they deem proper in accordance with their own interests. To the extent possible, the County and the Tenant shall cooperate with each other to maximize the amount of the award payable by reason of the eminent domain. Issues between the County and the Tenant that arise under this Article 10 shall be joined in any such eminent domain proceeding to the extent permissible under then applicable rules governing such joinder.

As used in this Lease: (1) a "taking" means the acquisition of all or any part of the Property for a public use by exercise of the power of eminent domain; (2) the taking shall be considered to occur as of the earlier of the date on which possession of the Property by the entity exercising the power of eminent domain is authorized as stated in an order for possession, or the date on which title to the Property vests in the person exercising the power of eminent domain: and (3) "award" means the compensation paid for the taking.

ARTICLE 12.
EVENTS OF DEFAULT

Section 12.1 Events of Default.

Each of the following, subject to the applicable notice and cure period below, shall be a "Tenant Event of Default" by the Tenant hereunder:

(a) Failure by the Tenant to pay any Rent when due or to pay or cause to be paid any, insurance premiums or other liquidated sums of money herein stipulated to be paid by the Tenant, if such failure shall continue for a period of ten (10) days after notice thereof has been given by the County to the Tenant;

(b) The Tenant breaches, and thereafter fails to cure within the time frame set forth in subsection (h) below, any provision of Article 4;

(c) The Tenant breaches, and thereafter fails to cure within the time frame set forth in subsection (h) below, any provision of Article 5;

(d) A Bankruptcy/Insolvency Event occurs with respect to the Tenant;

(e) The Tenant attempts or completes a Transfer (other than a Permitted Transfer) without obtaining the County's prior written consent as required pursuant to this Lease;

(f) The failure of the Tenant to fully repair and restore the Improvements in accordance with the requirements of Article 8;

(g) The failure of the Tenant to cure, within the period prescribed by statute, any Notice of Default recorded by an Approved Security Interest Holder.

(h) Failure by the Tenant to perform or observe any other provisions of this Lease, the LDDA, or the applicable County Documents to be observed and performed by the Tenant, if such failure shall continue for a period of sixty (60) days after notice thereof has been given by the County to the Tenant; provided, however, that if any such failure cannot reasonably be cured within such sixty (60) day period, then the County shall not have the right to terminate this Lease or the Tenant's right to possession hereunder so long as the Tenant promptly commences the curing of any such failure and thereafter proceeds in good faith and with due diligence to remedy and correct such failure within a reasonable period of time; provided, however, that such period shall not extend for more than one hundred twenty (120) days after the date of the County's notice to the Tenant.

Section 12.2 Rights and Remedies.

(a) At any time after the occurrence of an Event of Default hereunder, the County, subject in all respects to the provisions of this Lease with respect to the County's rights to cure defaults by the Tenant, may terminate this Lease by giving the Tenant written notice thereof, setting forth in such notice an effective date for termination which is not less than thirty (30) days after the date of such notice, in which event this Lease and the Tenant's estate created hereby and all interest of the Tenant and all parties claiming by, through or under the Tenant shall automatically terminate upon the effective date for termination as set forth in such notice, with the same force and effect and to the same extent as if the effective date of such notice had been the date originally fixed in Article 2 hereof for the expiration of the Term. In such event, the County, its agents or representatives, shall have the right, without further demand or notice, to re-enter and take possession of the Property (including all buildings, the Improvements, and other improvements comprising any part thereof) at any time from and after the effective termination date without being deemed guilty of any manner of trespass and without prejudice to any remedies for arrears of Rent or existing breaches of covenants or any other remedy available at law or equity to the County, provided, however, if the Event of Default is the result of the Tenant failing to commence construction of the second or third Phases of the Improvements, within the time set forth in Section 4.2 and in accordance with the Development Schedule, the County's right to terminate this Lease shall not be applicable to any portion of the Property upon which the Tenant has received a Certificate of Completion for the Improvements constructed on that Phase of the Property.

(b) In addition to the remedy set forth in subsection (a) above, upon any Tenant Event of Default the County may exercise any other remedy set forth in any applicable County Documents or any other remedy available at law or at equity.

(c) Upon the exercise of the County's remedies pursuant to this Section 12.2, the Tenant shall execute such releases, deeds and other instruments in recordable form as the County shall reasonably request in order to accurately set forth of record then current status of the Tenant's estate in the Property and the Tenant's rights hereunder. The obligations set forth in this subsection shall survive the termination of the Lease.

Section 12.3 Default by the County.

(a) Events of Default. The County shall be in default of this Lease if it fails to perform any material provision of this Lease that it is obligated to perform, and if the failure to perform is not cured within sixty (60) days after written notice of the default has been given to the County. If the default cannot reasonably be cured within sixty (60), the County shall not be in default of this Lease if the County commences to cure the default within such sixty (60) day period and diligently and in good faith continues to cure the default until completion.

(b) . Right to Cure; the Tenant's Remedies. If the County shall have failed to cure a default by the County after expiration of the applicable time for cure of a particular default, the Tenant, at its election, but without obligation therefor (i) may seek specific performance of any obligation of the County, after which the Tenant shall retain, and may exercise and enforce, any and all rights that the Tenant may have against the County as a result of such default, (ii) from time to time without releasing the County in whole or in part from the obligations to be performed by the County hereunder, may cure the default at the County's cost, and/or (iii) may terminate this Lease.

(c) Notices. Notices given by the County under Section 13.1 or by the Tenant under Section 13.3 shall specify the alleged default and the applicable Lease provisions, and shall demand that the Tenant or the County, as applicable, perform the appropriate provisions of this Lease within the applicable period of time for cure. No such notice shall be deemed a forfeiture or termination of this Lease unless expressly set forth in such notice.

ARTICLE 13.
MISCELLANEOUS PROVISIONS

Section 13.1 Notice, Demands and Communication.

Formal notices, demands, and communications between the County and the Tenant shall be in writing and shall be sufficiently given if and shall not be deemed given unless dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered by facsimile with a copy delivered the following day by reputable overnight delivery service, or delivered personally, to the principal office of the Parties as follows:

County:	County of Alameda General Services Agency Attention: Director 1401 Lakeside Drive, 10th Floor Oakland, 94612
With copy to:	County of Alameda Community Development Agency 224 West Winton Hayward, CA 94544 Attn: Director
	County of Alameda County Counsel 1221 Oak Street, Suite 450 Oakland, CA 94612
Tenant:	JKL Building A Housing Partners, LP c/o The Related Companies of California LLC 44 Montgomery Street, Suite 1310 San Francisco, California 94104 Attention: Ann Silverberg
With a copy to:	c/o East Bay Asian Local Development Corporation 1825 San Pablo Avenue, Suite 200 Oakland, California 94612 Attention: Kelly Drumm
And to:	Bocarsly, Emden, Cowan, Esmail and Arndt, LLP 633 West Fifth Street Suite 5880

Los Angeles, CA 90071
Attn: Nicole Deddens

Such written notices, demands, and communications may be sent in the same manner to such other addresses as the affected party may from time to time designate by mail as provided in this Section 13.1. No party shall evade or refuse delivery of any notice. Telephone numbers are only provided for the Parties' convenience, and formal notices may not be transmitted by telephone. In addition, any notice or demand from the County to the Tenant may be delivered by e-mail to the Tenant's e-mail set forth above; provided, however, in no event shall the Tenant deliver any formal notice or demand to the County by e-mail.

Section 13.2 Conflict of Interests.

No member, official or employee of the County shall make any decision relating to the Lease which affects his or her personal interests or the interest of any corporation, partnership, or association in which he is directly or indirectly interested.

Section 13.3 Non-Liability of Officials, Employees and Agents.

No member, official, employee or agent of the County shall be personally liable to the Tenant, or any successor in interest, in the event of any default or breach by the County or for any amount which may become due to the Tenant or successor or on any obligation under the terms of this Lease.

Section 13.4 Enforced Delay.

In addition to specific provisions of this Lease, performance by either party shall not be deemed to be in default where delays or defaults are due to war; acts of terrorism; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; quarantine restrictions; freight embargoes; energy shortages or rationing; lack of transportation; or court order; or any other similar causes (other than lack of funds of the Tenant or the Tenant's inability to finance the Development) beyond the control or without the fault of the party claiming an extension of time to perform. An extension of time for any cause shall be deemed granted if notice by the party claiming such extension is sent to the other within ten (10) days from the commencement of the cause and such extension of time is not rejected in writing by the other party within ten (10) days of receipt of the notice. In no event shall the cumulative delays exceed one hundred twenty (120) days unless otherwise agreed to in writing by the Parties. Times of performance under this Lease may also be extended by written agreement of the County and the Tenant.

Section 13.5 Inspection of Books and Records.

The County and its agents have the right at all reasonable times to inspect on a confidential basis the books, records and all other documentation of the Tenant pertaining to its obligations under this Lease. The Tenant shall retain such books, records, and documentation for a period of five (5) years after their creation.

Section 13.6 Title of Parts and Sections.

Any titles of the sections or subsections of this Lease are inserted for convenience of reference only and shall be disregarded in construing or interpreting any part of its provision.

Section 13.7 Indemnity.

The Tenant shall indemnify, defend, hold harmless the County, and its supervisors, employees, agents, volunteers, successors, and assigns against any and all suits, actions, claims, causes of actions, whether actual or alleged, administrative proceedings, arbitrations or enforcement actions which arise out of or in connection with directly or indirectly, in whole or in part, the Tenant's demolition of the Existing Improvements, the Tenant's ownership, occupancy, development, or operation of the Improvements or construction, maintenance, rehabilitation or repair on the Property by the Tenant or the Tenant's contractors, subcontractors, agents, employees or tenants and all damages (direct or consequential), costs, losses, injuries, fines, penalties, liens, encumbrances, charges, liabilities, demands, judgments, remedial action requirements, obligations, and all costs and expenses incurred in connection therewith (including, but not limited to, attorney fees and costs); provided, however, that this indemnity shall not extend to any claim arising solely from the County's failure to perform its obligations under this Lease or solely from the gross negligence or willful misconduct of the County, or its supervisors, employees, agents, volunteers, successors, and assigns. The provisions of this section shall survive expiration of the Term or other termination of this Lease and shall remain in full force and effect and are not limited by the amount of insurance as may be required.

Section 13.8 Applicable Law.

This Lease shall be interpreted under and pursuant to the laws of the State of California.

Section 13.9 Severability.

If any term, provision, covenant or condition of this Lease is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provision shall continue in full force and effect unless the rights and obligations of the parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

Section 13.10 Legal Actions.

(a) Any legal action commenced to interpret or to enforce the terms of this Lease shall be filed in the Superior Court of Alameda County.

(b) In the event legal action is commenced by a third party or parties, the effect of which is to directly or indirectly challenge or compromise the enforceability, validity, or legality of the Lease and/or the power of the County to enter into this Lease or perform its obligations hereunder, either the County or the Tenant may (but shall have no obligation to) defend such action. Upon commencement of any such action, the County and the Tenant shall meet in good faith and seek to establish a mutually acceptable method of defending such action.

Section 13.11 Binding Upon Successors; Covenants to Run With Land.

This Lease shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors in interest and assigns of each of the parties; provided, however, that there shall be no transfer of any interest by the Tenant except pursuant to the terms of this Lease. Any reference in this Lease to a specifically named party shall be deemed to apply to any successor, heir, administrator, executor or assign of such party who has acquired an interest in compliance with the terms of this Lease, or under law.

The terms of this Lease shall run with the land and shall bind all successors in title to the Property during the Term of this Lease, except that the provisions of this Lease that are specified to survive termination of this Lease shall run with the land in perpetuity and remain in full force and effect following such termination. Every contract, deed, or other instrument hereafter executed covering or conveying the Property or the Improvements or any portion thereof shall be held conclusively to have been executed, deliver, and accepted subject to such covenants and restrictions, regardless of whether such covenants or restricts are set forth in such contract, deed or other instrument, unless the County expressly releases the Property, the Improvements, or the applicable portion of the Property, from the requirements of this Lease.

Section 13.12 Discretion Retained by County.

The County's execution of this Lease, in its capacity as the landlord and the fee owner of the Property, does not constitute approval by the County, in its capacity as a Governmental Authority, and in no way limits the discretion of the County in the permit and approval process in connection with demolition of the Existing Improvements, development of the Improvements, any Major Additional Improvements, or any other proposed use or development on the Property by the Tenant. The Tenant acknowledges that nothing in this Lease (including any approval by the County Administrator in accordance with this Lease) shall limit, waive, or otherwise impair the authority and discretion of: (i) the County's Planning Department, in connection with the review and approval of the proposed construction plans for the Improvements (or any change to such plans), any Major Additional Improvements, or any use, or proposed use, of the Property, or (ii) any other office or department of the County acting in its capacity as a Governmental Authority with jurisdiction over the development, use, or operation of the Development.

Section 13.13 Parties Not Co-Venturers.

Nothing in this Lease is intended to or does establish the parties as partners, co-venturers, or principal and agent with one another.

Section 13.14 Employment Opportunity.

The Tenant and its successors, assigns, contractors, and subcontractors shall not discriminate against any employee or applicant for employment in connection with the construction and operation of the Improvements because of race, color, religion, sex, sexual preference, marital status, ancestry or national origin. Each of the following activities shall be conducted in a nondiscriminatory manner: hiring; upgrading; demotion and transfers; recruitment and recruitment advertising; layoff and termination; rate of pay and other forms of compensation; and selection for training including apprenticeship.

Section 13.15 Warranties.

As more particularly set forth in the LDDA, the County expresses no warranty or representation to the Tenant as to fitness or condition of the Property or the Existing Improvements or any portion thereof for the building or construction to be conducted thereon.

Section 13.16 Action by the County or Tenant; Time.

(a) Except as may be otherwise specifically provided herein, whenever any approval, notice, direction, consent, request, or other action by the County is required or permitted under this Lease, such action may be given, made, or taken by the County Administrator, or by any person who shall have been so designated in writing to the Tenant by the County Administrator, without further action or approval by the Board of Supervisors, and any such action shall be in writing. The County Administrator may, in his or her discretion, agree in writing to modification of the dates by which action are to be complete or to waive any terms and conditions of this Lease or to make reasonable modifications to the Lease requested by the Tenant's lenders; provided, however, in no event shall the County Administrator have any authority to subordinate the County's fee interest in the Property.

(b) The Tenant shall take all actions necessary to implement the provisions of this Lease and to complete those performances required of the Tenant.

(c) Time is of the essence for all matters set forth in this Lease.

Section 13.17 No Third-Party Beneficiary.

No person or entity other than the County, the Tenant, and their permitted successors and assigns shall have any right of action under this Lease.

Section 13.18 Amendments.

The parties can amend this Lease only by means of a writing signed by both parties; provided, however, the parties may enter into Operating Memoranda or Implementation Agreements in furtherance of the intent of this Lease without formal amendment of this Lease for purposes, in the manner, and with the effect set forth in Section 13.19.

Section 13.19 Operating Memoranda; Implementation Agreements.

(a) The Parties acknowledge that the provisions of this Lease require a close degree of cooperation and that new information and future events may demonstrate that changes are appropriate with respect to the details of performance of the Parties under this Lease. The Parties desire, therefore, to retain a certain degree of flexibility with respect to the details of performance for those items covered in general terms under this Lease. If and when, from time to time during the Term of this Lease, the Parties find that refinements or adjustments are necessary or appropriate, then such refinements or adjustments shall be made through Operating Memoranda or Implementation Agreements approved by the Parties which, after execution shall be attached to this Lease as addenda and become a part hereof.

(b) Operating Memoranda or Implementation Agreements may be executed on the County's behalf by the County Administrator. In the event a particular subject requires notice or hearing, such notice or hearing shall be appropriately given. Any significant modification to the terms of performance under this Lease shall be processed as an amendment of this Lease in accordance with Section 13.18 and must be approved by the Board Supervisor.

Section 13.20 Representation and Warranties of Tenant.

The Tenant hereby represents and warrants to the County as follows:

(a) Organization. The Tenant is a duly organized, validly existing California limited partnership, and is in good standing under the laws of the State of California and has the power and authority to own its property and carry on its business as now being conducted.

(b) Authority of Tenant. The Tenant has full power and authority to execute and deliver this Agreement, or to be executed and delivered, pursuant to this Lease, and to perform and observe the terms and provisions of all of the above.

(c) Authority of Persons Executing Documents. This Lease and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Lease have been executed and delivered by persons who are duly authorized to execute and deliver the same for and on behalf of Tenant, and all actions required under the Tenant's organizational documents and applicable governing law for the authorization, execution, delivery and performance of this Lease and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Lease, have been duly taken.

(d) Valid Binding Agreements. This Lease and all other documents or instruments which have been executed and delivered pursuant to or in connection with this Lease constitute or, if not yet executed or delivered, will when so executed and delivered constitute, legal, valid and binding obligations of the Tenant enforceable against it in accordance with their respective terms.

(e) No Breach of Law or Agreement. Neither the execution nor delivery of this Lease or of any other documents or instruments executed and delivered, or to be executed or delivered, pursuant to this Lease, nor the performance of any provision, condition, covenant or other term hereof or thereof, will conflict with or result in a breach of any statute, rule or regulation, or any judgment, decree or order of any court, board, commission or agency whatsoever binding on the Tenant, or any provision of the organizational documents of the Tenant, or will conflict with or constitute a breach of or a default under any agreement to which the Tenant is a party, or will result in the creation or imposition of any lien upon any assets or property of the Tenant, other than liens established pursuant hereto.

(f) Compliance With Laws: Consents and Approvals. The construction of the Improvements, and any other construction work, will comply with all applicable laws, ordinances, rules and regulations of federal, state and local governments and agencies and with all applicable directions, rules and regulations of the fire marshal, health officer, building inspector and other officers of any such government or agency.

(g) Pending Proceedings. The Tenant is not in default under any law or regulation or under any order of any court, board, commission or agency whatsoever, and there are no claims, actions, suits or proceedings pending or, to the knowledge of the Tenant, threatened against or affecting the Tenant, at law or in equity, before or by any court, board, commission or agency whatsoever which might, if determined adversely to the Tenant, materially affect the Tenant's ability to develop the Improvements.

(h) Title to Property. Upon the recordation of the Memorandum of Lease, the Tenant will have good and marketable leasehold title to the Property and there will exist thereon or with respect thereto no mortgage, lien, pledge or other encumbrance of any character whatsoever other than those liens approved by the County, liens for current real property taxes and assessments not yet due and payable, and liens in favor of the County or approved in writing by the County.

(i) Financial Statements. The financial statements of the Tenant, and other financial data and information furnished by the Tenant to the County, fairly present the information contained therein. As of the date of this Lease, there has not been any adverse, material change in the financial condition of the Tenant from that shown by such financial statements and other data and information.

(j) Sufficient Funds. The Tenant holds sufficient funds or binding commitments for sufficient funds to complete the construction of the Improvements in accordance with this Agreement.

Section 13.21 Multiple Originals; Counterparts.

This Lease may be executed in counterparts and multiple originals, each of which shall be deemed to be an original.

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WHEREFORE, the Parties have executed this Lease as of the Effective Date.

COUNTY:

THE COUNTY OF ALAMEDA, a body corporate and politic and a subdivision of the State

By: ______________________

Name: ______________________

Its: ______________________

APPROVED AS TO FORM:

Donna Ziegler, County Counsel

____

TENANT:

JKL Building A Housing Partners, L.P.,
a California limited partnership

By: Related/JKL Building A Development Co., LLC, a California limited liability company, its administrative general partner

By: ______________________
Ann Silverberg, President

By: EBALDC JKL Building A Development Co., LLC, a California limited liability company, its managing general partner

By: East Bay Asian Local Development Corporation, a California nonprofit public benefit corporation, its manager

By: ______________________
Capri Roth, Executive Vice President

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, BOUNDED BY FOURTH STREET, FIFTH STREET, FRANKLIN STREET AND BROADWAY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FRANKLIN STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET AND RUNNING THENCE ALONG SAID NORTHWESTERLY LINE OF FRANKLIN STREET NORTHEASTERLY 200.05 FEET TO AN INTERSECTION THEREOF WITH THE SOUTHWESTERLY LINE OF FIFTH STREET; THENCE ALONG SAID SOUTHWESTERLY LINE OF FIFTH STREET NORTHWESTERLY 300.30 FEET TO AN INTERSECTION THEREOF WITH THE SOUTHEASTERLY LINE OF BROADWAY; THENCE ALONG SAID SOUTHEASTERLY LINE SOUTHWESTERLY 200.05 FEET TO AN INTERSECTION THEREOF WITH THE AFORESAID NORTHEASTERLY LINE OF FOURTH STREET; THENCE ALONG SAID NORTHEASTERLY LINE SOUTHEASTERLY 300.30 FEET TO THE POINT OF COMMENCEMENT.

APN: 001-0139-001-00; (400/430 Broadway)

EXHIBIT B

SCOPE OF DEVELOPMENT

430 Broadway Scope of Development

430 Broadway will be developed in three standalone affordable housing development phases, known as Buildings A, B, and C. In addition to these buildings, the project will also create common outdoor spaces, including children's play areas and outdoor seating areas.

The project will include a total of approximately 14,200 square feet of outdoor common space split between the ground level and elevated common areas located on the podium level of the development.

Building A will cover approximately 0.337 acres of the site and consist of 66 total units. 65 of these units will be deed-restricted affordable housing, with 1 unrestricted two-bedroom manager's unit. Building A will total approximately 58,480 gross square feet, including approximately 35,460 square feet of residential space as well as common space, services space, and property management offices. The project will include a common laundry room adjacent to other common spaces on the ground floor. Building A will be senior affordable housing, with 17 studio apartments serving Permanent Supportive Housing residents.

Building A's unit mix is below:

- 25 Studios (387 average square feet)
- 40 1-bedrooms (600 average square feet)
- 1 2-bedroom manager's unit (approx. 880 square feet)

Building B will cover approximately 0.453 acres of the site and will consist of 55 total units. 54 of these units will be deed-restricted affordable housing, with 1 unrestricted two-bedroom manager's unit. Building B will total approximately 69,448 gross square feet, including 41,808 square feet of residential space, common space, resident services space, property management offices, and approximately 4,935 square feet of community serving retail space. The project will include a common laundry room. Building B will be family affordable housing.

Building B's unit mix is below:

- 11 studios (373 average square feet)
- 12 1-bedrooms (533 average square feet)
- 16 2-bedrooms (824 average square feet)
- 16 3-bedrooms (1,106 average square feet)

Building C will cover approximately 0.58 acres of the site and will consist of 71 total units. 70 of these units will be deed-restricted affordable housing, with 1 unrestricted two-bedroom manager's unit. Building C will total approximately 81,474 residential square feet with approximately 2,374 square feet of contemplated commercial space. Building C will include 55,764 square feet of residential space, as well as space for a community room, maintenance shop, services offices, and a leasing/property management office. The project will include a common laundry room. Building C will be family affordable housing.

Building C's unit mix is below:

- 15 studios (390 average square feet)
- 16 1-bedrooms (596 average square feet)
- 20 2-bedrooms (893 average square feet)
- 20 3-bedrooms (1,127 average square feet)

EXHIBIT C

MEMORANDUM OF LEASE

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

County of Alameda
General Services Agency
Attention: Director
1401 Lakeside Drive, 10th Floor
Oakland, 94612

No fee for recording pursuant to
Government Code Section 27383

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

MEMORANDUM OF GROUND LEASE AGREEMENT

THIS MEMORANDUM OF GROUND LEASE AGREEMENT (this "Memorandum") is made as of ____________________, 20___ (the "Effective Date") by and between the County of Alameda, a body corporate and politic and a subdivision of the State ("Landlord"), and JKL Building A Housing Partners, LP, a California limited partnership ("Tenant"), with respect to that certain Ground Lease Agreement dated ______________, 20____ (the "Lease"), between Landlord and Tenant.

Pursuant to the Lease, Landlord hereby leases to Tenant, and Tenant leases from Landlord, that certain real property, more particularly described in Exhibit A, attached hereto and incorporated herein (the "Property"), for the term of the Lease. The Lease commenced on the Effective Date, and shall end on the earlier to occur of: (1) the ninety ninth (99th) anniversary of the Effective Date, unless extended pursuant to Article 2 of the Lease; or (2) the date of any termination of the Lease in accordance with the provisions thereof.

This Memorandum shall incorporate herein all of the terms and provisions of the Lease as though fully set forth herein.

This Memorandum may be executed in multiple originals, each or which is deemed to be an original, and may be signed in counterparts.

This Memorandum is solely for recording purposes and shall not be construed to alter, modify, amend, or supplement the Lease of which this is a memorandum.

IN WITNESS WHEREOF, the parties have caused this Memorandum to be duly executed as of the date first above written.

LANDLORD:

COUNTY OF ALAMEDA, a body corporation and politic and a subdivision of State

By: ______________________________

Name: ______________________________

Its: ______________________________

APPROVED AS TO FORM:

Donna Ziegler, County Counsel

By: ______________________________

TENANT:

JKL Building A Housing Partners, L.P.,
a California limited partnership

By: Related/JKL Building A Development Co., LLC, a California limited liability company, its administrative general partner

By: ______________________________
Ann Silverberg, President

By: EBALDC JKL Building A Development Co., LLC, a California limited liability company, its managing general partner

By: East Bay Asian Local Development Corporation, a California nonprofit public benefit corporation, its manager

By: ______________________________
Capri Roth, Executive Vice President

EXHIBIT D

INSURANCE REQUIREMENTS

Tenant shall procure and maintain for the term of this Lease insurance against all claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Tenant, its agents, representatives or employees.

Minimum Limits of Insurance

Tenant shall maintain insurance limits not less than:

1. General liability: $5,000,000 per occurrence for bodily injury, personal injury and property damage, combined single limit and $10,000,000 aggregate limit, with a $10,000,000 umbrella policy limit (provided, however, subcontractors shall only be required to obtain $1,000,000 per occurrence, and $2,000,000 aggregate). Such liability insurance shall be adjusted every five (5) years in accordance with increase in the Consumer Price Index for All Urban Consumers, U.S. Urban Wage Earners and Clerical Workers (Oakland-Hayward, CA, for All Items (1982-84 = 100)) to the extent such readjusted amount of insurance is commercially and reasonably available.

2. Automobile Liability: $5,000,000 per accident for bodily injury and property damage.

3. Workers' Compensation: As required by State law.

4. Employer's Liability: $1,000,000

5. Professional Liability (Errors & Omissions) insurance, when any architect, engineer, or consultant is employed by Tenant to perform professional services for the Property or Improvements. Tenant shall cause Professional Liability (Errors & Omissions) Insurance, to be carried by each architect, engineer, or consultant hired directly or indirectly by Tenant to perform professional services for any part of the Property. To the extent possible, all Professional Liability Insurance Policies shall include Landlord as an indemnified party for vicarious liability caused by professional services performed under this Lease. The Architect of record for the initial construction of the Improvements shall provide a minimum coverage limit per claim of not less than three million dollars ($2,000,000) for each claim and three million dollars ($3,000,000) in the annual aggregate, or such lesser amount as Landlord may approve in writing. Lower tier architects, engineers, and professional consultants shall carry limits not less than one million dollars ($1,000,000) per claim and two million ($2,000,000) in the annual aggregate. Such policy may be written on a "claims made" basis provided it has a retroactive date of placement prior to or coinciding with the commencement of any professional services performed on any part of the Property, and shall remain continuously in effect for three (3) years after completion. In the event professional errors and omissions liability insurance is canceled or not renewed, an extended reporting period endorsement or tail coverage shall be purchased for

the required three (3) years. Such policy shall provide coverage against loss or liability arising out of willful, negligent or innocent errors, omissions and misfeasance of the insured party in performing its contractual and professional obligations relating to the design, engineering and construction of the Property, as the case may be, or subsequent alteration or work of improvement, as applicable, and shall include such endorsements as reasonably required by Landlord.

6. Real estate environmental liability insurance ("Pollution Liability Insurance") covering pre-existing conditions with a ten (10) year term and a per claim limit of $5,000,000. The Pollution Liability Insurance shall provide the following types of coverage; (i) Pollution Legal Liability; (ii) on-site and off-site clean-up costs; (iii) non-owned disposal site; (iv) in-bound and out-bound contiguous transportation; (v) legal defense expenses and (vi) business interruption for the Tenant.

7. Builder's Risk insurance: Tenant shall procure, maintain, and keep in force at all times during any construction activity other than demolition of the Existing Improvemnts, at the Tenant's sole expense, Builder's Risk insurance with limits of liability equal to one hundred percent (100%) of the replacement cost of the work.

Deductibles and Self-Insured Retention

Any deductibles or self-insured retention must be declared to and approved by the County.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

A. County, and its supervisors, employees, and volunteers are to be covered as additional insureds on general liability and automobile liability policies as respects: liability out of activities performed by or on behalf of Tenant premises owned, occupied or used by Tenant; and automobiles owned, leased, hired or borrowed by Tenant. The coverage shall contain no special limitations on the scope of protection afforded to the County, and its supervisors, employees, or volunteers.

B. Tenant's insurance coverage shall be primary insurance in respect to the County, and its supervisors, employees, and volunteers.

C. Any insurance or self-insurance maintained by County, supervisors, employees, or volunteers shall be excess of Tenant's insurance and shall not contribute with it.

D. Any failure to comply with the reporting or other provisions of the policies shall not affect coverage provided to County, its supervisors, employees, or volunteers.

E. Tenant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

F. Each insurance policy required by this Lease shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to County.

Subcontractors

Before permitting any subcontractors to perform work under this Lease, Tenant shall require subcontractors to furnish satisfactory proof that insurance has been issued and is maintained similar to that provided by Tenant as may be applied to each subcontractor's work.

Acceptability of Insurers

Insurance is to be placed with insurers that are admitted insurance carriers in the State of California, or must otherwise be approved by the County.

Verification of Coverage

Tenant shall furnish County with original endorsements of effective coverage for policies on which the County are included as additional insureds as required by this Exhibit, and shall furnish original certificates of insurance for all other required policies. The endorsements are to be signed by the person authorized by the insurer to bind coverage on its behalf. All endorsements and certificates are to be received and approved by County before work commences.

Upon request, Tenant shall furnish County a certified copy of any or all policies of insurance covering the work required under this Lease. Upon the County's request, from time to time, during the term of this Lease, the Tenant shall increase the coverage of such insurance policies (or add additional insurance policies) as reasonably requested by the County.

EXHIBIT E
PHASING PLAN

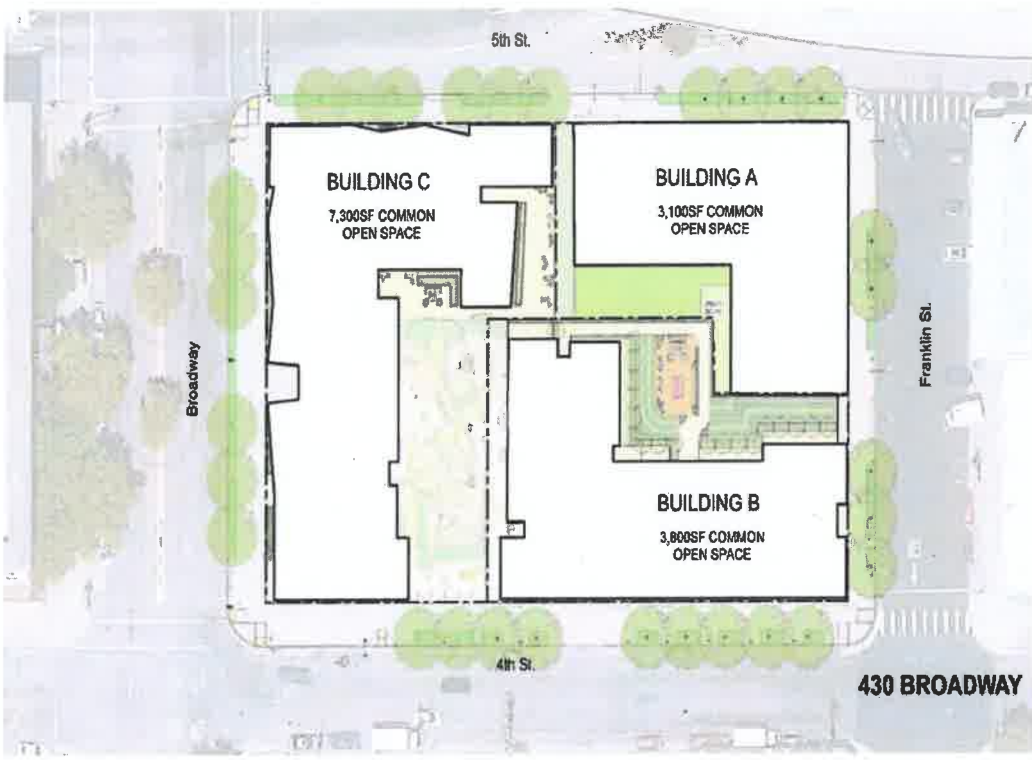

EXHIBIT F
DEVELOPMENT SCHEDULE

EXHIBIT B

DEVELOPMENT SCHEDULE

This Development Schedule summarizes the schedule for various activities under the Lease Disposition and Development Agreement (the "Agreement" or the "LDDA") and Ground Lease ("Lease) to which this exhibit is attached. Times for performance set forth in this Development Schedule are subject to Section 7.3 of the LDDA, and Section 13.4 of the Lease as each may be amended or otherwise revised in accordance with Section 7.17 and Section 7.18 of the LDDA and Sections 13.18 and 13.19 of the Lease. The description of items in this Development Schedule is meant to be descriptive only, and shall not be deemed to modify in any way the provisions of the LDDA or the Lease to which such items relate. Section references herein to the LDDA or the Lease are intended merely as an aid in relating this Development Schedule to other provisions of the LDDA and Lease and shall not be deemed to have any substantive effect.

Whenever this Development Schedule requires the submission of plans or other documents at a specific time, such plans or other documents, as submitted, shall be complete and adequate for review by the County, within the time set forth herein. Prior to the time set forth for each particular submission, the Developer shall consult with County staff, informally as necessary concerning such submission in order to assure that such submission will be complete and in a proper form within the time for submission set forth herein.

Action		Date
1.	Effective Date. The LDDA is executed by the Parties.	________ (the "Effective Date").
2.	Predevelopment Loan Documents. The County shall provide Developer with drafts of the Predevelopment Loan Documents.	Within 30 days of Effective Date.
3.	Demolition Financing. The Developer and the County entered into Predevelopment Loan Documents. [LDDA § 2.2]	Within 30 days of Developer's receipt of the complete set of Predevelopment Loan Documents
4.	Gap Loan Commitment. The County shall provide Developer with a Board of Supervisor resolution committing authorizing the Gap Loan	Within 30 days of Effective Date.
5.	Submittal of Demolition Plans for Existing Improvements. Developer shall submit the proposed demolition plans for County review in accordance with the LDDA. [LDDA § 2.3]	Within 30 days of the execution of the Predevelopment Loan Documents

Action	Date
6. Application for Building Permit for demolition of Existing Improvements. The Developer shall apply to the City of Oakland for building permits for demolition of the Existing Improvements. LDDA § 2.3]	Within 30 days of the County's approval of the Demolition Plans
7. Initiation of Alameda County Environmental Health Review. Developer shall request an initial consultation with Alameda County Environmental Health staff.	Within 10 days of submission of the Demolition Plans to the County.
8. Construction Contract for demolition of Existing Improvements. The Developer shall submit the proposed construction contract to the County. [LDDA § 2.4]	Within 45 days of the County's receipt of the approved demolition permit plans
9. Construction Bonds for demolition of Existing Improvements. The Developer shall deliver the construction bonds to the County. [LDDA § 2.5]	At least fifteen (15) days prior to commencement of demolition activities
10. Building Permit for demolition of Existing Improvements. The Developer shall have received an Issue Ready Letter from the City of Oakland for the building permit for the demolition of the Existing Improvements. To obtain demolition and building permits from the City of Oakland, Alameda County Environmental Health Department must approve abatement and remediation activities. [LDDA § 2.3]	No later than twelve (12) months after the Effective Date, but in no event sooner than thirty (30) days after Developer's receipt of approval from the County's Environmental Health Department for the abatement and remediation activities.
11. Developer Insurance. The Developer shall provide the County all applicable insurance policies required by LDDA. [LDDA § 2.6]	No later than the Close of Escrow.
12. Close of Escrow. The closing for the recordation of the Memorandum of Ground Lease and Quitclaim Deed shall occur upon the satisfaction of the predisposition requirements in accordance with the LDDA. [LDDA §§ 3.2 and 3.6]	No later than eighteen (18) months after the Effective Date.
13. Commencement of demolition of Existing Improvements. The Developer shall commence the demolition of the Improvements.	No later than thirty (30) days following the Close of Escrow.

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Action	Date
14. Completion of demolition of Existing Improvements.	Within 18 months of commencement of demolition of Existing Improvements.
15. Submittal of Financing Plan for Phase 1. The Developer shall submit the Final Financing Plan. [LDDA § 4.1]	Within 90 days of receipt of an allocation of tax credits or tax exempt bonds.
16. Submittal of Construction Plans for Phase 1. Developer shall submit the proposed construction plans [Ground Lease § 4.2(b)]	At least eight (8) months prior to the closing of the Phase 1 construction loan
17. County Approval of the Construction Plans for Phase 1. The County shall either approve or disapprove of the Construction Plans in accordance with §4.2 of the Ground Lease. [Ground Lease § 4.2(b)]	Within thirty 30 days of receipt
18. Approval of Financing Plan for Phase 1. The County shall either approve or disapprove of the Final Financing Plan. [Ground Lease § 4.1]	Within 30 days of receipt
19. Application for Building Permit for Phase 1. The Developer shall apply for building permits for the improvements. To obtain building permits from the City of Oakland, Alameda County Environmental Health Department must approve abatement and remediation activities. [Ground Lease § 4.2(c)]	At least ninety (90) days prior to the closing of the Phase 1 construction loan
20. Construction Contract for Phase 1. The Developer shall submit the proposed construction contract based on approved Building Permit plans to the County. [Ground Lease § 4.2(d)]	At least fifteen (15) days prior to the closing of the Phase 1 construction loan
21. Construction Bonds for Phase 1. The Developer shall deliver the construction bonds to the County. [Ground Lease § 4.2(e)]	At least fifteen (15) days prior to the closing of the Phase 1 construction loan
22. Building Permit for Phase 1. The Developer shall have received an Issue Ready Letter issued by the City of Oakland for the building permit for the Improvements. [Ground Lease § 4.2(c)]	No later than the closing of the Phase 1 Construction Loan Closing
23. Closing of all Supplemental Financing for Phase 1. The Developer shall close on all Supplemental	No later than the Phase 1 Construction Loan Closing

Action	Date
Financing as set forth in the Financing Plan. [Ground Lease § 4.1]	
24. Developer Insurance. The Developer shall provide the County all applicable insurance policies required by Ground Lease. [Ground Lease§ 8.1]	No later than the closing of the Phase 1 Construction Loan Closing.
25. Commencement of Construction for Phase 1. The Developer shall commence the construction of the Improvements. [Ground Lease § 4.12(f)]	No later than three (3) years from the Effective Date of the Lease or five (5) years from the Effective Date if the both one (1) year optional extensions are granted by County staff.
26. Submittal of Financing Plan for Phase 2. The Developer shall submit the Final Financing Plan. [Ground Lease § 4.1]	Within 90 days after the receipt of an award of tax credits/tax-exempt bonds
27. Submittal of Construction Plans for Phase 2. Developer shall submit the proposed construction plans [Ground Lease § 4.2(b)]	At least eight (8) months prior to the closing of the Phase 2 Construction Loan Closing
28. County Approval of the Construction Plans for Phase 2. The County shall either approve or disapprove of the Construction Plans in accordance with §4.2 of the Ground Lease. [Ground Lease § 4.2(b)]	Within 30 days of receipt
29. Approval of Financing Plan for Phase 2. The Developer shall obtain County approval of the Financing Plan. [Ground Lease§ 4.1]	Within thirty (30) days of receipt.
30. Application for Building Permit for Phase 2. The Developer shall apply for building permits for the improvements. To obtain building permits from the City of Oakland, Alameda County Environmental Health Department must approve abatement and remediation activities [Ground Lease § 4.2(c)]	At least ninety (90) days prior to the Phase 2 Construction Loan Closing
31. Construction Contract for Phase 2. The Developer shall submit the proposed construction contract based on approved Building Permit plans to the County. [Ground Lease § 4.2(d)]	At least fifteen (15) days prior to the closing of the Phase 2 Construction Loan Closing

Action	Date
32. Construction Bonds for Phase 2. The Developer shall deliver the construction bonds to the County. [Ground Lease § 4.2(e)]	At least fifteen (15) days prior to the closing of the Phase 2 Construction Loan Closing
33. Building Permit for Phase 2. The Developer shall have received an Issue Ready Letter from the City of Oakland for the building permit for the Improvements. [Ground Lease § 4.2(e)]	No later than the Phase 2 Closing
34. Closing of all Supplemental Financing for Phase 2. The Developer shall close on all Supplemental Financing as set forth in the Financing Plan. [Ground Lease § 4.1]	No later than eight (8) years after the Effective Date.
35. Developer Insurance. The Developer shall provide the County all applicable insurance policies required by Ground Lease. [Ground Lease §8.1]	No later than the Phase 2 Closing
36. Commencement of Construction for Phase 2. The Developer shall commence the construction of the Improvements. [Ground Lease § 4.2(f)]	No later than eight (8) years from the Effective Date.
37. Completion of Construction for Phase 2. The Developer shall complete the construction of the Improvements. [Ground Lease § 4.2(f)]	No later than 26 months from the Phase 2 Closing
38. Submittal of Financing Plan for Phase 3. The Developer shall submit the Final Financing Plan. [Ground Lease § 4.1]	Within 90 days of receipt of a tax credit and/or bond allocation
39. Submittal of Construction Plans for Phase 3. Developer shall submit the proposed construction plans [Ground Lease § 4.2(b)]	At least eight (8) months prior to the closing of the Phase 3 Construction Loan Closing
40. County Approval of the Construction Plans for Phase 3. The County shall either approve or disapprove of the Construction Plans in accordance with §4.2 of the Ground Lease. [Ground Lease § 4.2(b)]	Within 30 days of receipt
41. Approval of Financing Plan for Phase 3. The Developer shall obtain County approval of the Financing Plan. [Ground Lease § 4.1]	Within twenty (20) days of receipt.

Action	Date
42. Application for Building Permit for Phase 3. The Developer shall apply for building permits for the improvements. To obtain building permits from the City of Oakland, Alameda County Environmental Health Department must approve abatement and remediation activities [Ground Lease § 4.2(c)]	At least ninety (90) days prior to the closing of the Phase 3 Construction Loan Closing
43. Construction Contract for Phase 3. The Developer shall submit the proposed construction contract based on approved Building Permit plans to the County. [Ground Lease § 4.2(d)]	At least fifteen (15) days prior to the closing of the Phase 3 Construction Loan Closing
44. Construction Bonds for Phase 3. The Developer shall deliver the construction bonds to the County. [Ground Lease § 4.2(e)]	At least fifteen (15) days prior to the closing of Phase 3
45. Building Permit for Phase 3. The Developer shall have received an Issue Ready Letter for the building permit for the Improvements.	No later than the Phase 3 Closing.
46. Closing of all Supplemental Financing for Phase 3. The Developer shall close on all Supplemental Financing as set forth in the Financing Plan. [Ground Lease § 4.1]	No later than 10 years of the Effective date
47. Developer Insurance. The Developer shall provide the County all applicable insurance policies required by Ground Lease. [Ground Lease § 8.1]	No later than the Phase 3 Closing.
48. Commencement of Construction for Phase 3. The Developer shall commence the construction of the Improvements. [Ground Lease § 4.2(f)]	No later than ten (10) years from the effective date or eleven (11) years from the Effective Date if the optional one (1) year extension is granted by County staff.
49. Completion of Construction for Phase 3. The Developer shall complete the construction of the Improvements. [Ground Lease § 4.2(f)]	No later than 26 months from the Phase 3 Closing

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EXHIBIT E

ASSIGNMENT OF DOCUMENTS

ASSIGNMENT OF AGREEMENTS, PLANS AND SPECIFICATIONS, AND APPROVALS

FOR VALUE RECEIVED, the undersigned, JKL Building A Housing Partners, LP, a California limited partnership (the "Developer"), hereby assigns and transfers to the County of Alameda, a body corporate and politic and a subdivision of the State (the "County"), all of its right, title and interest in and to:

(1) All architectural, design, engineering, and construction contracts and development agreements, and any and all amendments, modifications, supplements, addenda and general conditions thereto (collectively, the "Agreements"), heretofore or hereafter entered into by any Contractor (as defined below).

(2) All written reports, studies, investigations, analyses, plans and specifications, shop drawings, working drawings, amendments, modifications, changes, supplements, general conditions, other documents, and addenda thereto (collectively, the "Plans and Specifications") heretofore or hereafter prepared by any Contractor (as defined below); and

(3) All land use approvals, building permits, and other governmental approvals of any nature obtained for the Development (collectively, the "Governmental Approvals").

This Assignment of Agreements, Plans and Specifications, and Approvals (the "Assignment") is made pursuant to the terms of that certain Lease Disposition and Development Agreement dated as of _________________, 2026 (the "LDDA"), by and between the County and Developer. Capitalized terms used but not defined in this Assignment shall have the meanings set forth in the LDDA. The Property subject to the LDDA is described in Exhibit A attached to this Assignment.

For purposes of this Assignment, the term "Contractor" means any architect, construction contractor, engineer, consultant or other person or entity entering into Agreements with the Developer and/or preparing Plans and Specifications for the Developer with respect to the Development.

The Developer hereby irrevocably appoints the County as its attorney-in-fact (which agency is coupled with an interest) to, upon the occurrence of a Default under and as defined in the LDDA, demand, receive, and enforce any and all of the Developer's rights with respect to the Plans and Specifications, Agreements and Governmental Approvals, and perform any and all acts in the name of the Developer or in the name of the County with the same force and effect as if performed by the Developer in the absence of this Assignment.

The County shall not have any obligation under any of the Agreements unless and until the County expressly agrees in writing to be bound by such Agreement(s) following a Default.

Upon the occurrence of a Default, the County may use any of the Agreements assumed by the County and any of the Plans and Specifications and Governmental Approvals for any purpose for which the Developer could have used them for development of the Development. Upon the occurrence of a Default, the Developer shall cooperate with the County to implement this Assignment and shall immediately deposit with the County all the Agreements, Plans and Specifications, and Governmental Approvals.

The Developer represents and warrants to the County that no previous assignment(s) of its rights or interest in or to the Plans and Specifications, Agreements, and/or Governmental Approvals has or have been made, and the Developer agrees not to assign, sell, pledge, transfer, mortgage, or hypothecate its rights or interest therein (without prior written approval of the County Administrator) so long as the LDDA is in effect.

This Assignment is made to secure payment and performance by the Developer of all its obligations under the LDDA and the County Documents.

This Assignment shall terminate upon the issuance of the Certificate of Completion by the County in accordance with the Ground Lease.

This Assignment shall be governed by the laws of the State of California, and the Developer agrees that the Superior Court of the County of Alameda shall be the site and have jurisdiction for the filing and maintenance of any action arising hereunder and further agrees that the prevailing Party in any such action shall be entitled, in addition to any other recovery, to reasonable attorneys' fees and costs.

This Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors-in-interest of the Developer, and the County; provided, however, this shall not be construed and is not intended to waive the restrictions on assignment, sale, transfer, mortgage, pledge, hypothecation or encumbrance by the Developer contained in the LDDA or the Ground Lease.

Exhibit A, the Architect's Consent, the Landscape Architect's Consent, and the Engineer's Consent are attached hereto and incorporated herein by reference.

Executed by the Developer on ____________, 202__.

DEVELOPER:

JKL Building A Housing Partners, L.P., a California limited partnership

By: Related/JKL Building A Development Co., LLC, a California limited liability company, its administrative general partner

By: ______________________________
Ann Silverberg, President

By: EBALDC JKL Building A Development Co., LLC, a California limited liability company, its managing general partner

By: East Bay Asian Local Development Corporation, a California nonprofit public benefit corporation, its manager

By: ______________________________
Capri Roth, Executive Vice President

EXHIBIT A

PROPERTY DESCRIPTION

All that certain real property situated in the County of Alameda, State of California, described as follows:

ARCHITECT'S CONSENT

The undersigned architect ("Architect") hereby consents to the foregoing Assignment of Agreements, Plans and Specifications, and Approvals ("Assignment"), of which this Architect's Consent ("Consent") is a part, and acknowledges that there presently exists no unpaid claims presently due to the Architect except as disclosed to the County arising out of the preparation and delivery of the Plans and Specification to the Developer and/or the performance of the Architect's obligations under the Agreements, as the term "Agreements" is defined in the Assignment.

Architect agrees that if, at any time, the County elects to undertake or cause the completion of construction of the Development on any of the Site, in accordance with the Plans and Specifications, and gives Architect written notice of such election; then so long as the Architect has received, receives or continues to receive the compensations called for under the Agreements, the County may, at its option, use and rely on the Plans and Specifications for the purposes for which they were prepared, and Architect will continue to perform its obligations under the Agreements for the benefit and account of the County in the same manner as if performed for the benefit or account of the Developer in the absence of this Assignment. The County may assign its rights pursuant to this paragraph to another entity in its discretion.

Architect further agrees that, in the event of a breach by the Developer of the Agreements, or any agreement entered into with Architect in connection with the Plans and Specifications, so long as the Developer's interest in the Agreements and Plans and Specifications is assigned to the County, Architect will give written notice to the County at the address shown below of such breach. The County shall have thirty (30) days from the receipt of such written notice of Default to remedy or cure said Default; provided, however, nothing herein shall require the County to cure said Default or to undertake completion of construction of the Improvements.

Except as set forth in the Assignment, Architect warrants and represents that it/he/she has no knowledge of any prior assignment(s) of any interest in either the Plans and Specifications and/or the Agreements. Except as otherwise defined herein, the terms used herein shall have the meanings given them in the Assignment or the LDDA, as applicable.

Executed by the Architect on ____________, 202__.

Address of County:

Address of Architect:

Architect:

By: ______________________________

Name: ______________________________

Its: ______________________________

ENGINEER'S CONSENT

The undersigned engineer ("Engineer") hereby consents to the foregoing Assignment of Agreements, Plans and Specifications, and Approvals ("Assignment"), of which this Engineer's Consent ("Consent") is a part, and acknowledges that there presently exists no unpaid claims presently due to the Engineer except as disclosed to the County arising out of the preparation and delivery of the Plans and Specification to the Developer and/or the performance of the Engineer's obligations under the Agreements, as the term "Agreements" is defined in the Assignment.

Engineer agrees that if, at any time, the County elects to undertake or cause the completion of construction of the Development on any of the Site, in accordance with the Plans and Specifications, and gives Engineer written notice of such election; then so long as the Engineer has received, receives or continues to receive the compensations called for under the Agreements, the County may, at its option, use and rely on the Plans and Specifications for the purposes for which they were prepared, and Engineer will continue to perform its obligations under the Agreements for the benefit and account of the County in the same manner as if performed for the benefit or account of the Developer in the absence of this Assignment. The County may assign its rights pursuant to this paragraph to another development entity in its discretion.

Engineer further agrees that, in the event of a breach by the Developer of the Agreements, or any agreement entered into with Engineer in connection with the Plans and Specifications, so long as the Developer's interest in the Agreements and Plans and Specifications is assigned to the County, Engineer will give written notice to the County at the address shown below of such breach. The County shall have thirty (30) days from the receipt of such written notice of Default to remedy or cure said Default; provided, however, nothing herein shall require the County to cure said Default or to undertake completion of construction of the Improvements.

Except as set forth in the Assignment, Engineer warrants and represents that it/he/she has no knowledge of any prior assignment(s) of any interest in either the Plans and Specifications and/or the Agreements. Except as otherwise defined herein, the terms used herein shall have the meanings given them in the Assignment or the LDDA, as applicable.

Executed by the Engineer on _____________, 202__.

Address of County:

Address of Engineer:

By: ________________________________

Name: ________________________________

Its: ________________________________

Exhibit F
Preliminary Financing Plan

PROJECT SUMMARY

400 Broadway - Building A - PSH Scenario
Development Proforma 2011 V1.2 - ILP
Related Companies of California
Printed on 8/15/25 at 2:53 PM

Project Data		
Project Type		Senior
County		Alameda
Total Units		66
Parking Spaces		22
Land Area		0.34 Acres
Net Residential Area		34,555 SF
Construction Months		22 Months
Operating Economic Assumptions		
Residential Vacancy Rate		5.0%
PSH Vacancy Rate		10.0%
Income Inflator		2.5%
Expense Inflator		3.5%
Property Tax Inflator		3.0%
Replacement Reserve Inflator		0.0%
CPI		3.0%
Stabilized Cash Flow		**Year 1**
Gross Scheduled Rent		$779,714
Laundry Income		4,752
PSH Rental Operating Subsidy		338,110
Vacancy & Collection	@ 5.00%	(39,223)
Retail Income		0
PSH Vacancy	@ 10.00%	(33,811)
Effective Gross Income		1,049,542
Operating Expenses		(763,964)
Net Operating Income		285,577

Basis Calculations	
Total Eligible Basis	$56,065,716
Adjusted Threshold Basis Limit	$94,018,061
Total Eligible Basis as a % of Threshold Basis Limit	59.63%
Permanent Sources	**Amount**
Tax Credit Equity	19,060,437
Permanent Financing	$2,276,000
State of California SuperNOFA Loan	19,800,000
Alameda County Measure W Loan	19,500,000
Total	$61,996,251

Sources and Uses	
Total Permanent Sources	$61,996,251
Total Development Cost	61,996,251
Over/(Under)	$0

SOURCES AND USES OF FUNDS

400 Broadway - Building A - PSH Scenario
Development Proforma 2011 V1.2 - LLP
Related Companies of California
Printed on 8/15/25 at 2:53 PM

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Construction Sources and Uses

Construction Sources			
Tax Credit Equity		2,859,066	15% of tax credit equity
Tax-Exempt Construction Loan		31,440,473	
Taxable Construction Loan		3,458,475	
Alameda County Measure W Loan		19,500,000	
Deferred Developer Fee		4,401,807	
Costs Deferred to Conversion		336,430	
	Total Construction Sources	61,996,251	
Construction Uses			
Total Development Cost		61,996,251	
Amount Over/(Under)		0	

Permanent Sources and Uses

Sources		
Tax Credit Equity		19,060,437
Permanent Financing		2,276,000
State of California SuperNOFA Loan		19,800,000
Alameda County Measure W Loan		19,500,000
Deferred Developer Fee		1,359,814
	Total Permanent Sources	61,996,251
Uses		
Total Development Cost		61,996,251
Amount Over/(Under)		0

DEVELOPMENT COSTS & ELIGIBLE BASIS DETERMINATION

400 Broadway - Building A – PSH Scenario
Development Proforma 2011 V1.2 - 1LP
Related Companies of California
Printed on 8/15/23 at 2:53 PM

	66 units Budget	TCAC % Eligible	TCAC Eligible Basis
ACQUISITION COSTS			
Purchase Price	$0	0%	0
Other Acquisition Costs	216,144	0%	0
TOTAL ACQUISITION COSTS	216,144	0%	0
PROFESSIONAL FEES			
Architecture & Engineering	2,108,400	100%	2,108,400
Other Professional / Consulting	315,500	100%	315,500
TOTAL PROFESSIONAL FEES	2,423,900	0%	2,423,900
FEES AND PERMITS			
City/County Fees and Permits	2,954,857	100%	2,954,857
Utility Fees/Costs	150,000	100%	150,000
TOTAL FEES AND PERMITS	3,104,857	0%	3,104,857
CONSTRUCTION COSTS			
Demolition & Remediation	2,069,512	0%	0
Offsite Improvements	300,517	0%	0
Site Improvements	1,260,104	100%	1,260,104
Parking Facilities	548,100	100%	548,100
Landscaping / Common Areas	603,668	100%	603,668
Residential Structures	27,593,029	100%	27,593,029
Escalation Contingency	2,320,946	100%	2,320,946
General Conditions	2,501,678	100%	2,501,678
Contractor Profit	1,559,401	100%	1,559,401
Contractor Insurance	729,642	100%	729,642
Construction Bond Premiums	264,236	100%	264,236
Construction Contingency	2,019,921	100%	2,019,921
TOTAL CONSTRUCTION COSTS	42,418,332	0%	40,048,303
FINANCING COSTS			
Acquisition Loan Costs	0	0%	- 0
Gap Loan Costs	0	100%	0
Construction Loan Costs	30,000	18%	9,000
Construction Loan Fees	739,200	18%	133,056
Construction Period Interest	2,480,720	100%	2,480,720
Post-Construction Interest	1,183,786	0%	0
Permanent Loan Costs	50,000	0%	0
Permanent Loan Fees	22,760	0%	0
Bond Issuance Costs	287,430	0%	0
TCAC Fees	31,456	0%	0
Misc. Finance Costs	0	0%	0
TOTAL FINANCING COSTS	4,865,352	0%	2,622,776
OTHER COSTS			
Furnishings, Fixtures & Equipment	312,000	100%	312,000
Marketing Costs	444,400	0%	0
Legal Fees	302,300	30%	90,690
Property Taxes	8,000	75%	6,000
Soft Cost Contingency	773,225	75%	579,919
Relocation Expenses	0	0%	0
Accounting / Audit / Insurance	1,115,650	100%	1,115,650
Developer Overhead	0	100%	0
Developer Fees	5,761,621	100%	5,761,621
Other Costs / Reserves	250,470	0%	0
TOTAL OTHER COSTS	8,967,666	0%	7,865,880
TOTAL DEVELOPMENT COSTS	$61,996,251		$56,065,716
/ TOTAL ELIGIBLE BASIS			
TOTAL BASIS REDUCTION (Amount over Adjusted Threshold Basis Limit or Voluntary Exclusion)			0
TOTAL REQUESTED UNADJUSTED ELIGIBLE BASIS			56,065,716
High Cost Area Adjustment			100%
TOTAL ADJUSTED ELIGIBLE BASIS			56,065,716
Applicable Fraction			100%
TOTAL QUALIFIED BASIS			56,065,716
Total Credit Reduction	0%		0
TOTAL ADJUSTED QUALIFIED BASIS			56,065,716

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UNIT DISTRIBUTION

400 Broadway - Building A - PSH Scenario
Development Proforma 2011 V1.2 - JLP
Related Companies of California
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Number Of Units	Income Category	SF	Gross Rent	Utility Allowance	Net Rent	Net Rent Per SqFt	Monthly Rent	Annual Rent	Unit %	Total Square Footage
Studio										
17	30% TC	387	$280	$109	$171	$0.44	$2,900	$34,802	26%	6,579
0	35% TC	387	$979	$109	$870	$2.25	$0	$0	0%	0
0	40% TC	387	$1,118	$109	$1,009	$2.61	$0	$0	0%	0
0	45% TC	387	$1,258	$109	$1,149	$2.97	$0	$0	0%	0
8	50% TC	387	$1,398	$109	$1,289	$3.33	$10,312	$123,744	12%	3,096
0	60% TC	387	$1,678	$109	$1,569	$4.05	$0	$0	0%	0
0	Market	387	$0	$0	0	n/a	$0	$0	0%	0
0	Manager	387	$0	$0	0	n/a	$0	$0	0%	0
25										
1 Bedroom										
0	30% TC	600	$899	$129	$770	$1.28	$0	$0	0%	0
0	35% TC	600	$1,049	$129	$920	$1.53	$0	$0	0%	0
10	40% TC	600	$1,198	$129	$1,069	$1.78	$10,694	$128,328	15%	6,000
0	45% TC	600	$1,348	$129	$1,219	$2.03	$0	$0	0%	0
30	50% TC	600	$1,498	$129	$1,369	$2.28	$41,070	$492,840	45%	18,000
0	60% TC	600	$1,798	$129	$1,669	$2.78	$0	$0	0%	0
0	Market	600	$0	$0	0	n/a	$0	$0	0%	0
0	Manager	600	$0	$0	0	n/a	$0	$0	0%	0
40										
2 Bedrooms										
0	30% TC	880	$1,079	$173	$906	$1.03	$0	$0	0%	0
0	35% TC	880	$1,259	$173	$1,086	$1.23	$0	$0	0%	0
0	40% TC	880	$1,438	$173	$1,265	$1.44	$0	$0	0%	0
0	45% TC	880	$1,618	$173	$1,445	$1.64	$0	$0	0%	0
0	50% TC	880	$1,798	$173	$1,625	$1.85	$0	$0	0%	0
0	60% TC	880	$2,158	$173	$1,985	$2.26	$0	$0	0%	0
0	Market	880	$0	$0	0	n/a	$0	$0	0%	0
1	Manager	880	$0	$0	0	n/a	$0	$0	2%	880
1										
3 Bedrooms										
0	30% TC	1,115	$1,246	$214	$1,032	$0.93	$0	$0	0%	0
0	35% TC	1,115	$1,454	$214	$1,240	$1.11	$0	$0	0%	0
0	40% TC	1,115	$1,662	$214	$1,448	$1.30	$0	$0	0%	0
0	45% TC	1,115	$1,869	$214	$1,655	$1.48	$0	$0	0%	0
0	50% TC	1,115	$2,077	$214	$1,863	$1.67	$0	$0	0%	0
0	60% TC	1,115	$2,492	$214	$2,278	$2.04	$0	$0	0%	0
0	Market	1,115	$0	$0	0	n/a	$0	$0	0%	0
0	Manager	1,115	$0	$0	0	n/a	$0	$0	0%	0
0										
4 Bedrooms										
0	30% TC	1,200	$1,390	$0	$1,390	$1.16	$0	$0	0%	0
0	35% TC	1,200	$1,622	$0	$1,622	$1.35	$0	$0	0%	0
0	40% TC	1,200	$1,854	$0	$1,854	$1.54	$0	$0	0%	0
0	45% TC	1,200	$2,085	$0	$2,085	$1.74	$0	$0	0%	0
0	30% TC	1,200	$2,317	$0	$2,317	$1.93	$0	$0	0%	0
0	60% TC	1,200	$2,780	$0	$2,780	$2.32	$0	$0	0%	0
0	Market	1,200	$0	$0	0	n/a	$0	$0	0%	0
0	Manager	1,200	$0	$0	0	n/a	$0	$0	0%	0
0										

Unit Distribution Summary

Summary	
Total SF	34,555
Avg. Unit SF	524
Monthly Rent	$64,976
Annual Rent	$779,714
Avg. Rent (excl. manager's)	$1,000
Avg. Rent PSF (excl. manager's)	$1.93
Bedrooms	42

Income	Units	Total %
30	17	26%
35	0	0%
40	10	15%
45	0	0%
50	38	58%
60	0	0%
Market	0	0%
Subtotal	65	100%
Manager	1	
Total	66	

Unit Size	Units	Total %
Studio	25	38%
1 Bedroom	40	61%
2 Bedrooms	1	2%
3 Bedrooms	0	0%
4 Bedrooms	0	0%
Total	66	100%

Rental Subsidy Summary

Rental Subsidy Calculation				
TCAC Monthly Rents	Studio		1BR	
10% AMI Rent Paid by Tenant	$	279.60	$	299.60
Rental Subsidy (Based on PBS8 Rents)	$	1,657.40	$	1,901.40
Total Per Unit Monthly Income	$	1,937.00	$	2,201.00

2025 Alameda County HUD PBS8 Rents	
Studio	1-BR
$ 1,937.00	$ 2,201.00

PSH Program Breakdown		
Total Units (Excluding Managers Unit)		65
Number PSH Units		17
Percentage PSH Units		26%
Annual Subsidy Amount Per Unit	$	19,888.80
Annual Subsidy Amount Total (All Units)	$	338,109.60

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STABILIZED CASH FLOW ANALYSIS

400 Broadway - Building A - PSH Scenario
Development Proforma 2011 V1.2 - ILP
Related Companies of California
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Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
INCOME																				
Gross Rental Income	779,714	799,207	819,187	839,667	860,659	882,175	904,230	926,835	950,006	973,756	998,100	1,023,052	1,048,629	1,074,845	1,101,716	1,129,259	1,157,490	1,186,428	1,216,088	1,246,491
Laundry Income	4,752	4,871	4,993	5,117	5,245	5,376	5,511	5,649	5,790	5,935	6,083	6,235	6,391	6,551	6,714	6,882	7,054	7,231	7,411	7,597
Other Income: PSH Rental Operating Subsidy	338,110	346,562	355,226	364,107	373,210	382,540	392,103	401,906	411,954	422,253	432,809	443,629	454,720	466,088	477,740	489,684	501,926	514,474	527,336	540,519
Vacancy @ 5.0%	(39,223)	(40,204)	(41,209)	(42,239)	(43,295)	(44,378)	(45,487)	(46,624)	(47,790)	(48,985)	(50,209)	(51,464)	(52,751)	(54,070)	(55,421)	(56,807)	(58,227)	(59,683)	(61,175)	(62,704)
Retail Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PSH Unit Vacancy @ 10.0%	(33,811)	(34,656)	(35,523)	(36,411)	(37,321)	(38,254)	(39,210)	(40,191)	(41,195)	(42,225)	(43,281)	(44,363)	(45,472)	(46,608)	(47,774)	(48,968)	(50,193)	(51,447)	(52,734)	(54,053)
EFFECTIVE GROSS INCOME	1,049,542	1,075,780	1,102,675	1,130,242	1,158,498	1,187,460	1,217,147	1,247,575	1,278,765	1,310,734	1,343,502	1,377,090	1,411,517	1,446,805	1,482,975	1,520,049	1,558,051	1,597,002	1,636,927	1,677,850
EXPENSES																				
Administrative	(38,800)	(40,158)	(41,564)	(43,018)	(44,524)	(46,082)	(47,695)	(49,364)	(51,092)	(52,880)	(54,731)	(56,647)	(58,629)	(60,681)	(62,805)	(65,004)	(67,279)	(69,633)	(72,071)	(74,593)
Management Fee @ 6.0%	(62,973)	(65,177)	(67,658)	(69,819)	(72,263)	(74,792)	(77,409)	(80,119)	(82,923)	(85,825)	(88,829)	(91,938)	(95,156)	(98,486)	(101,933)	(105,501)	(109,193)	(113,015)	(116,971)	(121,065)
Operating	(195,390)	(202,187)	(209,264)	(216,588)	(224,169)	(232,015)	(240,135)	(248,540)	(257,239)	(266,242)	(275,560)	(285,205)	(295,187)	(305,519)	(316,212)	(327,279)	(338,734)	(350,590)	(362,861)	(375,561)
Maintenance	(29,800)	(30,694)	(31,708)	(32,818)	(33,967)	(35,156)	(36,386)	(37,659)	(38,978)	(40,342)	(41,754)	(43,215)	(44,728)	(46,293)	(47,913)	(49,590)	(51,326)	(53,122)	(54,982)	(56,906)
Salaries	(85,000)	(87,975)	(91,054)	(94,241)	(97,539)	(100,953)	(104,487)	(108,144)	(111,929)	(115,846)	(119,901)	(124,097)	(128,441)	(132,936)	(137,589)	(142,405)	(147,389)	(152,547)	(157,887)	(163,413)
Taxes (escalated at 3.00%)	(4,300)	(4,429)	(4,562)	(4,699)	(4,840)	(4,985)	(5,134)	(5,288)	(5,447)	(5,611)	(5,779)	(5,952)	(6,131)	(6,315)	(6,504)	(6,699)	(6,900)	(7,107)	(7,320)	(7,540)
Insurance	(66,000)	(68,310)	(70,701)	(73,175)	(75,737)	(78,387)	(81,131)	(83,970)	(86,909)	(89,951)	(93,100)	(96,358)	(99,731)	(103,221)	(106,834)	(110,573)	(114,443)	(118,449)	(122,594)	(126,885)
Renting	(3,600)	(3,728)	(3,858)	(3,991)	(4,131)	(4,276)	(4,425)	(4,580)	(4,741)	(4,906)	(5,078)	(5,256)	(5,440)	(5,630)	(5,827)	(6,031)	(6,242)	(6,461)	(6,687)	(6,921)
Social Programs & Resident Services	(192,720)	(199,465)	(206,446)	(213,672)	(221,151)	(228,891)	(236,902)	(245,194)	(253,775)	(262,658)	(271,851)	(281,365)	(291,213)	(301,406)	(311,955)	(322,873)	(334,174)	(345,870)	(357,975)	(370,504)
Replacement Reserves	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)
Alameda County Lease Admin Fee	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
Oakland County Monitoring Fees	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)	(4,349)
Ground Rent to County	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
TCAC/CDLAC Monitoring Fee	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)	(27,786)
CMFA Bond Issuer Fee	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)	(5,486)
TOTAL OPERATING EXPENSES	(763,964)	(787,685)	(812,235)	(837,644)	(863,941)	(891,158)	(919,327)	(948,481)	(978,654)	(1,009,883)	(1,042,204)	(1,075,656)	(1,110,277)	(1,146,109)	(1,183,195)	(1,221,577)	(1,261,303)	(1,302,417)	(1,344,969)	(1,388,010)
NET OPERATING INCOME	285,577	288,095	290,440	292,598	294,557	296,302	297,820	299,095	300,110	300,851	301,298	301,434	301,240	300,695	299,780	298,472	296,748	294,585	291,958	288,840
DEBT SERVICE																				
Permanent Financing	(237,917)	(237,917)	(237,917)	(237,917)	(237,917)	(237,917)	(237,917)	(237,917)	(237,917)	(237,917)	(237,917)	(237,917)	(237,917)	(237,917)	(237,917)	0	0	0	0	0
Interest	(145,210)	(139,002)	(132,377)	(125,309)	(117,767)	(109,721)	(101,135)	(91,975)	(82,201)	(71,775)	(60,645)	(48,773)	(36,106)	(22,590)	(8,169)	0	0	0	0	0
Principle	(92,706)	(98,915)	(105,540)	(112,608)	(120,149)	(128,196)	(136,782)	(145,942)	(155,716)	(166,145)	(177,272)	(189,144)	(201,811)	(215,327)	(229,748)	0	0	0	0	0
Cash Flow After Debt Service	47,660	50,179	52,523	54,681	56,640	58,385	59,903	61,178	62,194	62,934	63,381	63,517	63,323	62,779	61,863	298,472	296,748	294,585	291,958	288,840

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PROJECT SUMMARY

400 Broadway - Building B
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Project Data	
Project Type	Large Family
County	Alameda
Total Units	55
Parking Spaces	32
Land Area	0.45 Acres
Net Residential Area	41,379 SF
Retail Area	4,931 SF
Construction Period	22 Months
Units Per Acre	121.50
Donated Land Value	$0

Operating Economic Assumptions	
Residential Vacancy Rate	5.0%
Retail Vacancy Rate	10.0%
Income Inflator	2.5%
Expense Inflator	3.5%
CPI	3.0%
Cap Rate	N/A

Tax Credit Parameters	
Federal Applicable Tax Credit %	4.00%
State Applicable Tax Credit %	30.00%
Federal Tax Credit Price	$0.920
State Tax Credit Price	$0.000
High Cost Area Adjustment	100.00%
TCAC Allocation Fee	1.00%

Construction Loan	
Loan Amount	$35,765,582
Loan Fee	1.00%
Interest Rate	7.00%

Permanent Loan	
Loan Amount	3,782,000
Loan Fee	1.00%
Interest Rate	6.25%
Amortization	35 Years

Stabilized Cash Flow		**Year 1**	**Per Unit**
Gross Scheduled Rent		$1,055,650	$19,194
Laundry Income		3,960	72
Other Income		0	0
Vacancy & Collection	@ 5.00%	(52,981)	(963)
Retail Income		0	0
Retail Vacancy	@ 10.00%	0	0
Effective Gross Income		1,006,629	18,302
Operating Expenses		(686,847)	(12,488)
Net Operating Income		319,782	5,814
Debt Service		(266,439)	(4,844)
Cash Flow		$53,343	$970
DCR		1.20	

Basis Calculations		
Total Eligible Basis		$55,388,067
Adjusted Threshold Basis Limit		$73,527,667
Total Eligible Basis as a % of Threshold Basis Limit		75.33%
50% Test Eligible Basis		$55,284,479
50% Test (Permanent Debt)		7%
50% Test (Construction Loan)	PASS	55%

Permanent Sources		**Amount**	**Debt Service**
Tax Credit Equity		20,380,770	n/a
Permanent Financing		$3,782,000	$266,439
HCD AHSC Loan		15,700,000	$0
HCD HG Grant		4,200,000	n/a
Local Source Loan		17,000,000	n/a
Deferred Developer Fee		2,500,000	n/a
	Total	$63,562,770	$266,439

Sources and Uses	
Total Permanent Sources	$63,562,770
Total Development Cost	63,562,770
Over/(Under)	$0

Cost Efficiency / Credit Reduction / Public Funds	
Cost Efficiency	24%
Credit Reduction	0%
Public Funds Development Ratio	31%

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SOURCES AND USES OF FUNDS

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Construction Sources and Uses

Construction Sources			
Tax Credit Equity		3,057,116	15% of tax credit equity
Tax-Exempt Construction Loan		30,406,463	
Taxable Construction Loan		5,359,119	
HCD IIG Grant		4,200,000	
Local Source Loan		17,000,000	
Deferred Developer Fee		3,202,931	
Costs Deferred to Conversion		337,141	
	Total Construction Sources	63,562,770	
Construction Uses			
Total Development Cost		63,562,770	
Amount Over/(Under)		0	

Permanent Sources and Uses

Sources		
Tax Credit Equity		20,380,770
Permanent Financing		3,782,000
HCD AHSC Loan		15,700,000
HCD IIG Grant		4,200,000
Local Source Loan		17,000,000
Deferred Developer Fee		2,500,000
	Total Permanent Sources	63,562,770
Uses		
Total Development Cost		63,562,770
Amount Over/(Under)		0

UNIT DISTRIBUTION

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Number Of Units	Income Category	SF	Gross Rent	Utility Allowance	Net Rent	Net Rent Per SqFt	Monthly Rent	Annual Rent	Unit %	Total Square Footage
Studio										
5	30% TC	373	$839	$109	$730	$1.96	$3,649	$43,788	9%	1,865
0	35% TC	373	$979	$109	$870	$2.33	$0	$0	0%	0
2	40% TC	373	$1,118	$109	$1,009	$2.71	$2,019	$24,226	4%	746
0	45% TC	373	$1,258	$109	$1,149	$3.08	$0	$0	0%	0
2	50% TC	373	$1,398	$109	$1,289	$3.46	$2,578	$30,936	4%	746
2	60% TC	373	$1,678	$109	$1,569	$4.21	$3,137	$37,646	4%	746
0	Market	373	$0	$0	0	n/a	$0	$0	0%	0
0	Manager	373	$0	$0	0	n/a	$0	$0	0%	0
11										
1 Bedroom										
4	30% TC	533	$899	$129	$770	$1.44	$3,079	$36,950	7%	2,132
0	35% TC	533	$1,049	$129	$920	$1.73	$0	$0	0%	0
0	40% TC	533	$1,198	$129	$1,069	$2.01	$0	$0	0%	0
0	45% TC	533	$1,348	$129	$1,219	$2.29	$0	$0	0%	0
0	50% TC	533	$1,498	$129	$1,369	$2.57	$0	$0	0%	0
8	60% TC	533	$1,798	$129	$1,669	$3.13	$13,349	$160,186	15%	4,264
0	Market	533	$0	$0	0	n/a	$0	$0	0%	0
0	Manager	533	$0	$0	0	n/a	$0	$0	0%	0
12										
2 Bedrooms										
1	30% TC	824	$1,079	$173	$906	$1.10	$906	$10,870	2%	824
0	35% TC	824	$1,259	$173	$1,086	$1.32	$0	$0	0%	0
0	40% TC	824	$1,438	$173	$1,265	$1.54	$0	$0	0%	0
0	45% TC	824	$1,618	$173	$1,445	$1.75	$0	$0	0%	0
0	50% TC	824	$1,798	$173	$1,625	$1.97	$0	$0	0%	0
14	60% TC	824	$2,158	$173	$1,985	$2.41	$27,784	$333,413	25%	11,536
0	Market	824	$0	$0	0	n/a	$0	$0	0%	0
1	Manager	824	$0	$0	0	n/a	$0	$0	2%	824
16										
3 Bedrooms										
4	30% TC	1,106	$1,246	$214	$1,032	$0.93	$4,129	$49,546	7%	4,424
0	35% TC	1,106	$1,454	$214	$1,240	$1.12	$0	$0	0%	0
0	40% TC	1,106	$1,662	$214	$1,448	$1.31	$0	$0	0%	0
0	45% TC	1,106	$1,869	$214	$1,655	$1.50	$0	$0	0%	0
0	50% TC	1,106	$2,077	$214	$1,863	$1.68	$0	$0	0%	0
12	60% TC	1,106	$2,492	$214	$2,278	$2.06	$27,341	$328,090	22%	13,272
0	Market	1,106	$0	$0	0	n/a	$0	$0	0%	0
0	Manager	1,106	$0	$0	0	n/a	$0	$0	0%	0
16										
4 Bedrooms										
0	30% TC	0	$1,390	$0	$1,390	#DIV/0!	$0	$0	0%	0
0	35% TC	0	$1,622	$0	$1,622	#DIV/0!	$0	$0	0%	0
0	40% TC	0	$1,854	$0	$1,854	#DIV/0!	$0	$0	0%	0
0	45% TC	0	$2,085	$0	$2,085	#DIV/0!	$0	$0	0%	0
0	50% TC	0	$2,317	$0	$2,317	#DIV/0!	$0	$0	0%	0
0	60% TC	0	$2,780	$0	$2,780	#DIV/0!	$0	$0	0%	0
0	Market	0	$0	$0	0	n/a	$0	$0	0%	0
0	Manager	0	$0	$0	0	n/a	$0	$0	0%	0
0										

Unit Distribution Summary

Summary	
Total SF	41,379
Avg. Unit SF	752
Monthly Rent	$87,971
Annual Rent	$1,055,650
Avg. Rent (excl. manager's)	$1,629
Avg. Rent PSF (excl. manager's)	$2.17
Bedrooms	92

Income	Units	Total %
30	14	26%
35	0	0%
40	2	4%
45	0	0%
50	2	4%
60	36	67%
Market	0	0%
Subtotal	54	100%
Manager	1	
Total	55	

Unit Size	Units	Total %
Studio	11	20%
1 Bedroom	12	22%
2 Bedrooms	16	29%
3 Bedrooms	16	29%
4 Bedrooms	0	0%
Total	55	100%

DEVELOPMENT COSTS & ELIGIBLE BASIS DETERMINATION

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	55 units Budget	TCAC % Eligible	TCAC Eligible Basis
ACQUISITION COSTS			
Purchase Price	$0	0%	0
Other Acquisition Costs	0	0%	0
TOTAL ACQUISITION COSTS	0	0%	0
PROFESSIONAL FEES			
Architecture & Engineering	1,731,600	93%	1,608,552
Other Professional / Consulting	315,500	93%	293,080
TOTAL PROFESSIONAL FEES	2,047,100	0%	1,901,632
FEES AND PERMITS			
City/County Fees and Permits	2,651,820	93%	2,463,381
Utility Fees/Costs	150,000	93%	139,341
TOTAL FEES AND PERMITS	2,801,820	0%	2,602,722
CONSTRUCTION COSTS			
Demolition/Remediation	1,593,120	0%	0
Offsite Improvements	461,480	0%	0
Site Improvements	1,637,715	93%	1,521,338
Parking Facilities	750,288	93%	696,972
Landscaping / Common Areas	1,059,963	93%	984,640
Residential Structures	29,628,338	93%	27,522,938
Escalation Contingency	2,225,798	93%	2,067,632
General Conditions	2,654,490	93%	2,465,861
Contractor Profit	1,475,813	93%	1,370,941
Contractor Insurance	666,050	93%	618,720
Construction Bond Premiums	244,769	93%	227,376
Construction Contingency	2,156,787	93%	2,003,525
TOTAL CONSTRUCTION COSTS	45,292,126	0%	40,165,414
FINANCING COSTS			
Acquisition Loan Costs	0	100%	0
Gap Loan Costs	0	100%	0
Construction Loan Costs	50,000	18%	9,000
Construction Loan Fees	697,669	18%	125,579
Construction Period Interest	2,551,501	100%	2,551,501
Post-Construction Interest	1,082,129	0%	0
Permanent Loan Costs	30,000	0%	0
Permanent Loan Fees	17,820	0%	0
Bond Issuance Costs	259,525	0%	0
TCAC Fees	46,290	0%	0
Misc. Finance Costs	0	0%	0
TOTAL FINANCING COSTS	4,734,930	0%	2,686,079
OTHER COSTS			
Furnishings, Fixtures & Equipment	212,500	100%	212,500
Marketing Costs	434,500	0%	0
Legal Fees	285,250	30%	85,575
Property Taxes	0	75%	0
Soft Cost Contingency	639,108	100%	639,108
Relocation Expense	0	100%	0
Accounting / Audit / Insurance	1,153,783	100%	1,153,783
Developer Overhead	0	100%	0
Developer Fees	5,702,931	100%	5,702,931
Other Costs / Reserves	238,321	100%	238,321
TOTAL OTHER COSTS	8,666,394	0%	8,032,219
TOTAL DEVELOPMENT COSTS	$63,542,770		$55,388,067
/TOTAL ELIGIBLE BASIS			
TOTAL BASIS REDUCTION (Amount over Adjusted Threshold Basis Limit or Voluntary Exclusion)			0
TOTAL REQUESTED UNADJUSTED ELIGIBLE BASIS			55,388,067
High Cost Area Adjustment			100%
TOTAL ADJUSTED ELIGIBLE BASIS			55,388,067
Applicable Fraction			100%
TOTAL QUALIFIED BASIS			55,388,067
Total Credit Reduction	0%		0
TOTAL ADJUSTED QUALIFIED BASIS			55,388,067

STABILIZED CASH FLOW ANALYSIS

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Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
INCOME															
Gross Rental Income	1,055,650	1,082,041	1,109,092	1,136,819	1,165,240	1,194,371	1,224,230	1,254,836	1,286,207	1,318,362	1,351,321	1,385,104	1,419,731	1,455,225	1,491,606
Laundry Income	3,960	4,059	4,160	4,264	4,371	4,480	4,592	4,707	4,825	4,945	5,069	5,196	5,326	5,459	5,595
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacancy @ 5.0%	(52,980)	(54,305)	(55,663)	(57,054)	(58,481)	(59,943)	(61,441)	(62,977)	(64,552)	(66,165)	(67,819)	(69,515)	(71,253)	(73,034)	(74,860)
Retail Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacancy @ 10.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	1,006,629	1,031,795	1,057,590	1,084,029	1,111,130	1,138,908	1,167,381	1,196,566	1,226,480	1,257,142	1,288,570	1,320,785	1,353,804	1,387,649	1,422,341
EXPENSES															
Administrative	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Management Fee @ 6.0%	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Operating	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Maintenance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Salaries	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Taxes (escalated at 2.50%)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Insurance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Renting	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Social Programs	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Replacement Reserves	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
HCD Mandatory Fee/Oakland Monitoring Fee/County Monitoring Fe	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TCAC/CDLAC Monitoring Fee	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Alameda County Lease Admin Fee	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
Ground Rent to County	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
CSIFA Monitoring Fee	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
TOTAL OPERATING EXPENSES	(686,847)	(705,932)	(725,684)	(746,125)	(767,281)	(789,176)	(811,837)	(835,290)	(859,562)	(884,682)	(910,680)	(937,587)	[illegible]	(994,254)	[illegible]
NET OPERATING INCOME	319,782	325,863	331,906	337,904	343,849	349,732	355,544	361,276	366,918	372,460	377,890	383,198	388,371	393,395	398,259
DEBT SERVICE															
Permanent Financing	(266,439)	(266,439)	(266,439)	(266,439)	(266,439)	(266,439)	(266,439)	(266,439)	(266,439)	(266,439)	(266,439)	(266,439)	(266,439)	(266,439)	(266,439)
Interest	(235,499)	[illegible]	(231,390)	(229,156)	(226,737)	(224,143)	[illegible]	(218,372)	[illegible]	[illegible]	(208,729)	[illegible]	(201,060)	(196,861)	(192,380)
Principal	(30,940)	[illegible]	(35,049)	(37,283)	(39,702)	(42,296)	(44,974)	(48,067)	[illegible]	[illegible]	(57,710)	(61,421)	(65,379)	(69,578)	(74,059)
Cash Flow After Debt Service	53,343	59,424	65,468	71,465	77,410	83,293	89,105	94,837	100,479	106,021	111,451	116,759	121,932	126,957	131,820

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PROJECT SUMMARY

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Project Data	
Project Type	Large Family
County	Alameda
Total Units	71
Parking Spaces	48
Land Area	0.58 Acres
Net Residential Area	55,786 SF
Retail Area	2,262 SF
Construction Period	21 Months
Units Per Acre	122.41
Donated Land Value	$0

Operating Economic Assumptions	
Residential Vacancy Rate	5.0%
Retail Vacancy Rate	10.0%
Income Inflator	2.5%
Expense Inflator	3.5%
CPI	3.0%
Cap Rate	N/A

Tax Credit Parameters	
Federal Applicable Tax Credit %	4.00%
State Applicable Tax Credit %	30.00%
Federal Tax Credit Price	$0.930
State Tax Credit Price	$0.000
High Cost Area Adjustment	100.00%
TCAC Allocation Fee	1.00%

Construction Loan	
Loan Amount	$49,278,658
Loan Fee	1.00%
Interest Rate	7.00%

Permanent Loan	
Loan Amount	5,958,000
Loan Fee	1.00%
Interest Rate	6.25%
Amortization	35 Years

Stabilized Cash Flow		**Year 1**	**Per Unit**
Gross Scheduled Rent		$1,343,030	$18,916
Laundry Income		5,112	72
Other Income		0	0
Vacancy & Collection	@ 5.00%	(67,407)	(949)
Retail Income		0	0
Retail Vacancy	@ 10.00%	0	0
Effective Gross Income		1,280,735	18,039
Operating Expenses		(776,991)	(10,944)
Net Operating Income		503,744	7,095
Debt Service		(419,736)	(5,912)
Cash Flow		$84,008	$1,183
DCR		1.20	

Basis Calculations		
Total Eligible Basis		$67,453,921
Adjusted Threshold Basis Limit		$96,267,100
Total Eligible Basis as a % of Threshold Basis Limit		70.07%
50% Test Eligible Basis		$71,799,132
Capitalized Value (Rent Restricted)		
50% Test (Permanent Debt)		8%
50% Test (Construction Loan)	PASS	55%

Permanent Sources	**Amount**	**Debt Service**
Tax Credit Equity	25,090,349	n/a
Permanent Financing	$5,958,000	$419,736
HCD AHSC Loan	20,600,000	$0
HCD AHSC Grant	2,000,000	n/a
Local Source Loan	19,500,000	n/a
Deferred Developer Fee	3,500,000	n/a
Total	$75,648,349	$419,736

Sources and Uses	
Total Permanent Sources	$75,648,349
Total Development Cost	75,648,349
Over/(Under)	$0

Cost Efficiency / Credit Reduction / Public Funds	
Cost Efficiency	29%
Credit Reduction	0%
Public Funds Development Ratio	29%

SOURCES AND USES OF FUNDS

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Construction Sources and Uses

Construction Sources			
Tax Credit Equity		3,763,552	15% of tax credit equity
Tax-Exempt Construction Loan		39,489,523	
Taxable Construction Loan		9,789,135	
Local Source Loan		18,500,000	
Deferred Developer Fee		3,683,177	
Costs Deferred to Conversion		422,962	
	Total Construction Sources	75,648,349	
Construction Uses			
Total Development Cost		75,648,349	
Amount Over/(Under)		0	

Permanent Sources and Uses

Sources		
Tax Credit Equity		25,090,349
Permanent Financing		5,958,000
HCD AHSC Loan		20,600,000
HCD AHSC Grant		2,000,000
Local Source Loan		18,500,000
Deferred Developer Fee		3,500,000
	Total Permanent Sources	75,648,349
Uses		
Total Development Cost		75,648,349
Amount Over/(Under)		0

UNIT DISTRIBUTION

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Number Of Units	Income Category	SF	Gross Rent	Utility Allowance	Net Rent	Net Rent Per Sq Ft	Monthly Rent	Annual Rent	Unit %	Total Square Footage
Studio										
7	30% TC	390	$839	$109	$730	$1.87	$5,109	$61,303	10%	2,730
0	35% TC	390	$979	$109	$870	$2.23	$0	$0	0%	0
2	40% TC	390	$1,118	$109	$1,009	$2.59	$2,019	$24,226	3%	780
0	45% TC	390	$1,258	$109	$1,149	$2.95	$0	$0	0%	0
5	50% TC	390	$1,398	$109	$1,289	$3.31	$6,445	$77,340	7%	1,950
1	60% TC	390	$1,678	$109	$1,569	$4.02	$1,569	$18,823	1%	390
0	Market	390	$0	$0	0	n/a	$0	$0	0%	0
0	Manager	390	$0	$0	0	n/a	$0	$0	0%	0
15										
1 Bedroom										
3	30% TC	596	$899	$129	$770	$1.29	$2,309	$27,713	4%	1,788
0	35% TC	596	$1,049	$129	$920	$1.54	$0	$0	0%	0
2	40% TC	596	$1,198	$129	$1,069	$1.79	$2,139	$25,666	3%	1,192
0	45% TC	596	$1,348	$129	$1,219	$2.05	$0	$0	0%	0
0	50% TC	596	$1,498	$129	$1,369	$2.30	$0	$0	0%	0
11	60% TC	596	$1,798	$129	$1,669	$2.80	$18,355	$220,255	15%	6,556
0	Market	596	$0	$0	0	n/a	$0	$0	0%	0
0	Manager	596	$0	$0	0	n/a	$0	$0	0%	0
16										
2 Bedrooms										
4	30% TC	893	$1,079	$173	$906	$1.01	$3,623	$43,478	6%	3,572
0	35% TC	893	$1,259	$173	$1,086	$1.22	$0	$0	0%	0
0	40% TC	893	$1,438	$173	$1,265	$1.42	$0	$0	0%	0
0	45% TC	893	$1,618	$173	$1,445	$1.62	$0	$0	0%	0
0	50% TC	893	$1,798	$173	$1,625	$1.82	$0	$0	0%	0
15	60% TC	893	$2,158	$173	$1,985	$2.22	$29,769	$357,228	21%	13,395
0	Market	893	$0	$0	0	n/a	$0	$0	0%	0
1	Manager	893	$0	$0	0	n/a	$0	$0	1%	893
20										
3 Bedrooms										
4	30% TC	1,127	$1,246	$214	$1,032	$0.92	$4,129	$49,546	6%	4,508
0	35% TC	1,127	$1,454	$214	$1,240	$1.10	$0	$0	0%	0
0	40% TC	1,127	$1,662	$214	$1,448	$1.28	$0	$0	0%	0
0	45% TC	1,127	$1,869	$214	$1,655	$1.47	$0	$0	0%	0
0	50% TC	1,127	$2,077	$214	$1,863	$1.65	$0	$0	0%	0
16	60% TC	1,127	$2,492	$214	$2,278	$2.02	$36,454	$437,453	23%	18,032
0	Market	1,127	$0	$0	0	n/a	$0	$0	0%	0
0	Manager	1,127	$0	$0	0	n/a	$0	$0	0%	0
20										
4 Bedrooms										
0	30% TC	0	$1,390	$0	$1,390	#DIV/0!	$0	$0	0%	0
0	35% TC	0	$1,622	$0	$1,622	#DIV/0!	$0	$0	0%	0
0	40% TC	0	$1,854	$0	$1,854	#DIV/0!	$0	$0	0%	0
0	45% TC	0	$2,085	$0	$2,085	#DIV/0!	$0	$0	0%	0
0	50% TC	0	$2,317	$0	$2,317	#DIV/0!	$0	$0	0%	0
0	60% TC	0	$2,780	$0	$2,780	#DIV/0!	$0	$0	0%	0
0	Market	0	$0	$0	0	n/a	$0	$0	0%	0
0	Manager	0	$0	$0	0	n/a	$0	$0	0%	0
0										

Unit Distribution Summary

Summary	
Total SF	55,786
Avg. Unit SF	786
Monthly Rent	$111,919
Annual Rent	$1,343,030
Avg. Rent (excl. manager's)	$1,599
Avg. Rent PSF (excl. manager's)	$2.04
Bedrooms	116

Income	Units	Total %
30	18	26%
35	0	0%
40	4	6%
45	0	0%
50	5	7%
60	43	61%
Market	0	0%
Subtotal	70	100%
Manager	1	
Total	71	

Unit Size	Units	Total %
Studio	15	21%
1 Bedroom	16	23%
2 Bedrooms	20	28%
3 Bedrooms	20	28%
4 Bedrooms	0	0%
Total	71	100%

DEVELOPMENT COSTS & ELIGIBLE BASIS DETERMINATION

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	71 units Budget	TCAC % Eligible	TCAC Eligible Basis
ACQUISITION COSTS			
Purchase Price	$0	0%	0
Other Acquisition Costs	0	0%	0
TOTAL ACQUISITION COSTS	0	0%	0
PROFESSIONAL FEES			
Architecture & Engineering	2,131,600	96%	2,046,336
Other Professional / Consulting	115,500	96%	110,880
TOTAL PROFESSIONAL FEES	2,247,100	0%	2,157,216
FEES AND PERMITS			
City/County Fees and Permits	2,653,458	96%	2,547,320
Utility Fees/Costs	150,000	96%	144,000
TOTAL FEES AND PERMITS	2,803,458	0%	2,691,320
CONSTRUCTION COSTS			
Demolition/Remediation	1,044,697	0%	0
Offsite Improvements	533,228	0%	0
Non-Residential Structures	0	0%	0
Site Improvements	1,399,776	96%	1,343,785
Parking Facilities	1,612,737	96%	1,548,228
Landscaping / Common Areas	1,297,573	96%	1,245,670
Residential Structures	36,271,391	96%	34,820,536
Escalation Contingency	2,106,018	96%	2,021,778
General Conditions	2,918,645	96%	2,801,899
Contractor Profit	1,797,294	96%	1,725,402
Contractor Insurance	840,000	96%	806,400
Construction Bond Premiums	298,555	96%	286,591
Design & Bid Contingency	0	96%	0
Construction Contingency	2,601,398	96%	2,497,342
Construction Management	250,000	96%	240,000
TOTAL CONSTRUCTION COSTS	54,791,941	0%	50,290,335
FINANCING COSTS			
Acquisition Loan Costs	0	100%	0
Gap Loan Costs	0	100%	0
Construction Loan Costs	50,000	18%	9,000
Construction Loan Fees	862,787	18%	155,302
Construction Period Interest	3,367,260	100%	3,367,260
Post-Construction Interest	1,508,732	0%	0
Permanent Loan Costs	50,000	0%	0
Permanent Loan Fees	39,580	0%	0
Bond Issuance Costs	99,295	0%	0
TCAC Fees	57,682	0%	0
Misc. Finance Costs	0	0%	0
TOTAL FINANCING COSTS	6,265,345	0%	3,531,562
OTHER COSTS			
Furnishings, Fixtures & Equipment	221,500	100%	221,500
Marketing Costs	148,000	0%	0
Legal Fees	310,050	30%	93,015
Property Taxes	8,000	75%	6,000
Soft Cost Contingency	367,247	100%	367,247
Relocation Expenses	0	100%	0
Accounting / Audit / Insurance	1,002,550	100%	1,002,550
Developer Overhead	0	100%	0
Developer Fees	7,183,177	100%	7,183,177
Other Costs / Reserves	299,182	0%	0
TOTAL OTHER COSTS	9,540,606	0%	8,873,489
TOTAL DEVELOPMENT COSTS	$75,648,249		$67,453,921
TOTAL ELIGIBLE BASIS			
TOTAL BASIS REDUCTION (Amount over Adjusted Threshold Basis Limit or Voluntary Exclusion)			0
TOTAL REQUESTED UNADJUSTED ELIGIBLE BASIS			67,453,921
High Cost Area Adjustment			100%
TOTAL ADJUSTED ELIGIBLE BASIS			67,453,921
Applicable Fraction			100%
TOTAL QUALIFIED BASIS			67,453,921
Total Credit Reduction	0%		0
TOTAL ADJUSTED QUALIFIED BASIS			67,453,921

STABILIZED CASH FLOW ANALYSIS

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Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
INCOME															
Gross Rental Income	1,343,030	1,376,606	1,411,021	1,446,297	1,482,454	1,519,516	1,557,504	1,596,441	1,636,352	1,677,261	1,719,192	1,762,172	1,806,227	1,851,382	1,897,667
Laundry Income	5,112	5,240	5,371	5,505	5,643	5,784	5,928	6,077	6,228	6,384	6,544	6,707	6,875	7,047	7,223
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacancy @ 5.0%	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Retail Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacancy @ 10.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	1,280,735	1,312,754	1,345,573	1,379,212	1,413,692	1,449,034	1,485,260	1,522,392	1,560,452	1,599,463	1,639,449	1,680,436	1,722,447	1,765,508	1,809,645
EXPENSES															
Administrative	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Management Fee @ 6.0%	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Operating	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Maintenance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Salaries	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Taxes (escalated at 2.50%)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Insurance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Renting	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Social Programs	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Replacement Reserves	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TCAC/CDLAC Monitoring Fee	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Alameda County Monitoring Fee	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
HCD Mandatory Fee/Oakland Monitoring Fee	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Alameda County Lease Admin Fee	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ground Rent to County	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bond Issuer Fee	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TOTAL OPERATING EXPENSES	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
NET OPERATING INCOME	503,744	514,810	525,944	537,139	548,391	559,693	571,038	582,418	593,827	605,254	616,693	628,132	639,564	650,976	662,357
DEBT SERVICE															
Permanent Financing	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Cash Flow After Debt Service	84,008	95,074	106,207	117,403	128,655	139,957	151,302	162,682	174,090	185,518	196,956	208,396	219,827	231,239	242,621

401 and 430 Broadway Demolition Budget

Hard Costs	430 Broadway	401 Broadway	Notes
Abatement	$2,380,344.51	$3,106,656.12	
Demolition	$1,558,533.52	$2,464,029.23	
Building Basement Demolition	$1,642,683.06	$1,629,702.53	Alternative if removing foundation during demo
Demolish parking lot asphalt pavement, concrete, hardscape (on-site only)	$75,737.00	$68,218.00	Alternative if removing foundation during demo
Import & Fill excavated basement w/soil	$312,171.11	$595,962.54	
Earthwork	$0.00	$0.00	Included in soil import and fill
Erosion Control and SWPPP Measures	$43,760.00	$43,760.00	
Soil remediation	$0.00	$0.00	Included in building basement demo
Man Holes	$0.00	$350,000.00	Included in budget per OSHA requirements
Erosion control and dewatering	$50,000.00	$50,000.00	
Gen Conditions	$307,235.80	$454,863.05	
Gen Requirements	$98,527.55	$117,972.84	
Dust & Noise Control Allowance	$200,000.00	$200,000.00	
General Liability & Other Insurance	$81,000.00	$112,000.00	
City Business Tax	$15,500.00	$24,000.00	
GC Bond	$37,237.20	$62,285.28	
GC OH&P - 4%	$186,849.81	$275,272.93	
GC Contingency - 4%	$186,849.81	$275,272.93	
Hard Cost & Abatement Contingency - 15%	$983,462.01	$1,474,583.42	
Subtotal Hard Costs	$7,540,059.38	$11,306,319.31	
Interim Site Costs			
Fencing	$200,000.00	$200,000.00	
Stormwater mitigation measures	$350,000.00	$350,000.00	
Interim Security	$200,000.00	$200,000.00	
Interim Site Cost Contingency (5%)	$37,500.00	$37,500.00	
Subtotal	$787,500.00	$787,500.00	
Soft Costs			
Permits	$250,000.00	$350,000.00	
Permit Expediter	$10,000.00	$10,000.00	
Construction Manager	$100,000.00	$100,000.00	
Building Survey	$97,293.00	$152,178.00	
Biologist	$4,100.00	$8,100.00	
Architect	$20,000.00	$20,000.00	
Civil	$16,360.00	$16,360.00	Demo plans, utility capping plans interim BMP design
Tribal Monitor	$40,000.00	$40,000.00	
Soft Cost Contingency (5%)	$27,087.53	$34,831.50	
Subtotal	$568,838.53	$731,469.50	
Admin Costs			
Pollution Insurance	$120,000.00	$120,000.00	Not included in admin overhead calc; 10 year term $5MM per incident/aggregate
Builders Risk Insurance	$300,000.00	$300,000.00	Not included in admin calc
Admin Overhead (5% TDC minus insurance)	$444,819.90	$641,209.46	
Subtotal	$864,819.90	$1,061,209.46	
Total	$9,761,217.82	$13,885,398.67	
Grand Total	$23,646,616.50		

Allocation to Proforma Line Items	430 Broadway	401 Broadway	Building A portion (27%)	Building B portion (33%)	Building C portion (40%)	Building D (27%)	Notes
Other Acquisition Costs (Interim Site Costs)	$787,500.00	$787,500.00	$216,144.29	$266,632.94	$314,673.27	$216,144.29	Full pro rata amount included in pro forma line item
Demolition and Remediation (including Gen Cond OH&P, ins and contingency)	$7,540,059.38	$11,305,319.31	$2,060,512.13	$2,487,651.82	$3,012,898.43	$3,102,651.61	Full pro rata amount included in pro forma line item
City/County Fees and Permits	$250,000.00	$350,000.00	$68,617.24	$81,466.43	$99,856.28	$96,064.15	Demo portion included alongside capital amount in pro forma line item
Architecture & Engineering	$36,360.00	$36,360.00	$9,979.69	$11,851.39	$14,528.92	$9,979.69	Demo portion included alongside capital amount in pro forma line item
Other Professional / Consulting (includes Construction Management)	$268,891.00	$310,278.00	$70,096.60	$83,343.66	$102,050.44	$85,161.67	Demo portion included alongside capital amount in pro forma line item
Accounting/Audit/Insurance	$864,819.90	$1,061,209.46	$237,366.20	$281,884.54	$345,549.12	$291,269.04	Demo portion included alongside capital amount in pro forma line item
Soft Contingency	$27,087.53	$34,831.50	$7,434.69	$8,829.08	$10,823.78	$9,560.27	Demo portion included alongside capital amount in pro forma line item
Total	$9,761,217.82	$13,885,398.67	$2,679,151.15	$3,181,829.43	$3,900,437.25	$3,811,310.71	

Demolition Loan Rollover Summary

430 Broadway		
Total Demolition Loan	$	9,761,218
Building A Portion Based on GSF	$	2,679,151
Building B Portion Based on GSF	$	3,181,679
Building C Portion Based on GSF	$	3,900,437
Remaining Amount of Building A Capital Loan Advanced at Construction Close	$	16,820,849
Total Building A Loan Commitment	$	19,500,000
401 Broadway		
Total Demolition Loan	$	13,885,399
Building D Portion Based on GSF	$	3,811,131
Building E Portion Based on GSF	$	4,525,869
Building F Portion Based on GSF	$	5,548,398
Remaining Amount of Building D Capital Loan Advanced at Construction Close	$	15,688,869
Total Building D Loan Commitment	$	19,500,000

Building GSF Breakdown	GSF	Factor
Building A	58,480	27%
Building B	69,448	33%
Building C	85,138	40%
Total GSF - 430 Broadway	213,066	100%

NOTE: 401 Broadway GSFs are assumptions based on 430 Broadway designs

Exhibit G
Regulatory Agreement

NO FEE DOCUMENT

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Alameda County
Housing and Community Development Department
224 W. Winton Avenue, Room 108
Hayward, CA 94544
Attn: Housing Director

No fee for recording pursuant to
Government Code Sections 27383 and 27388.1

REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS
(430 Broadway)

This Regulatory Agreement and Declaration of Restrictive Covenants (the "**Agreement**") is dated_______________, and is between the County of Alameda, a political subdivision of the State of California (the "**County**"), and JKL Building A Housing Partners, LP, a California limited partnership ("**Owner**").

RECITALS

A. Capitalized terms used but not defined in these recitals are as defined in Article 1 of this Agreement.

B. The County and the Owner have entered into a Lease Disposition and Development Agreement ("LDDA") dated as of ________, 2026. Pursuant to the LDDA the County and Owner have executed that certain Ground Lease ("**Ground Lease**") with respect to that certain property located in the City of Oakland and more particularly described in Exhibit A attached hereto and incorporated herein (the "**Property**").

C. Owner intends to construct a phased development on the Property consisting of approximately 192 residential units all of which other than the managers' units are expected to be affordable to very low-, 60% AMI Households (as defined below) and low-income households, and attendant site improvements (the "**Improvements**"). The Property and the Improvements are collectively referred to as the "**Development.**" The Owner expects to develop the Improvements in three phases each consisting of a separate building ("**Phase**") in accordance with the Phasing Plan attached to the LDDA.

D. The County has declared the Property "exempt surplus land" in accordance with Government Code Section 54221(f)(1)(A) on the basis that the County is disposing of the Property in accordance with Government Code Section 25539.4 which requires that at least 40% of the residential units developed on the Property must be affordable to 60% AMI Households and at least half of those units must be affordable to 50% AMI Households.

E. The County has agreed to convey the leasehold interest in the Property to the Owner on the condition that the Development be maintained and operated in accordance with restrictions concerning affordability, operation, and maintenance of the Development, as specified in this Agreement.

F. The County has agreed to provide a loan to the Developer in the amount of Nine Million Seven Hundred Sixty-One Thousand Two Hundred Eighteen Dollars ($9,761,218) for costs associated with the Development (the "**Predevelopment Loan**").

G. In consideration of conveyance of the leasehold interest in the Property for a below market rate rent and the Predevelopment Loan, Owner has agreed to observe all the terms and conditions set forth below.

H. At such time as Owner commences construction of the first Phase of the Development, the County and the Owner expect to amend the Ground Lease to only be applicable to the first Phase of the Development and to enter into Phase Leases, as defined in the Ground Lease, for the second and third Phases of the Development, at which time the Parties intend to amend this Regulatory Agreement to be applicable to only the first Phase of the Development and to concurrently enter into separate Regulatory Agreements for the second and third Phases of the Development such that the Development as whole is used and operated in accordance with the restrictions set forth in this Agreement. Such amendments to this Regulatory Agreement and the subsequent separate Regulatory Agreements may contain revised and additional affordability requirements based on refinements to the Owner's development plans and the provision of additional financial assistance provided by the County.

I. In order to ensure that the entire Development will be used and operated in accordance with these conditions and restrictions, County and Owner wish to enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, incorporated herein by this reference, and the covenants and promises contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the County and Owner hereby agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.1 Definitions.

When used in this Agreement, the following terms have the following meanings:

(a) "50% AMI Household" means a household who qualifies as a Very Low-Income Household pursuant to Health and Safety Code Section 50105.

(b) "50% Units" means the Units which, pursuant to Section 2.1 below, are required to be occupied by 50% AMI Households.

(c) "60% AMI Household" means a household whose income does not exceed seventy five percent (75%) of the qualifying income for a Lower Income Household as defined in Health and Safety Code Section 50079.5.

(d) "60% Units" means the Units which pursuant to Section 2.1 below, are required to be occupied by 60% AMI Households.

(e) "Accessibility Requirements" has the meaning set forth in Section 2.1(g).

(f) "Actual Household Size" means the actual number of persons in the applicable household.

(g) "Adjusted Income" means with respect to the Tenant of each Affordable Unit, the income from all persons in the household including nonrelated individuals.

(h) "Affordable Units" means each of the one hundred eighty-nine (189) Units, to be constructed on the Property, restricted by the County as a condition of conveyance of the leasehold interest in the Property.

(i) "Agreement" has the meaning set forth in the first paragraph.

(j) "Area Median Income" means the median gross yearly income, adjusted for Actual Household Size as specified herein, in the County of Alameda, California as published from time to time by HCD. In the event that such income determinations are no longer published, or are not updated for a period of at least eighteen (18) months, the County shall provide Owner with other income determinations that are reasonably similar with respect to methods of calculation to those previously published by HCD.

(k) "City" means the City of Oakland, California.

(l) "Completion Date" means the date that a final Certificate of Occupancy, or equivalent document, is issued by the City to certify completion of the Development or any Phase thereof.

(m) "Development" has the meaning set forth in Recital C.

(n) "HCD" means the California Department of Housing and Community Development.

(o) "Housing Director" means the Housing Director of the County Housing and Community Development Department or his or her designee.

(p) "Improvements" has the meaning set forth in Recital C.

(q) "Low Income Household" means a household whose income does not exceed the qualifying income for a Lower Income Households as defined in Health and Safety Code Section 50079.5.

(r) "Low Income Unit" means the Units which pursuant to Section 2.1 below, are required to be occupied by Low Income Households.

(s) "Owner" has the meaning set forth in the first paragraph of this Agreement.

(t) "Property" has the meaning set forth in Recital B.

(u) "Rent" means the total of monthly payments made by the Tenant of a Unit for the following (excluding any Rental Subsidy received): use and occupancy of the Unit and land and associated facilities, including parking; any separately charged fees or service charges assessed by Owner that are customarily charged in rental housing and required of all Tenants, other than security deposits; an allowance for the cost of an adequate level of service for utilities paid by the Tenant, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuel, but not telephone service or cable TV; and any other interest, taxes, fees or charges for use of the land or associated facilities and assessed by a public or private entity other than Owner, and paid by the Tenant.

(v) "Rental Subsidy" means Project-Based Section 8, or any comparable federal, state, or local government rental assistance program rental subsidies or operating subsidies.

(w) "Subsidy Units" has the meaning set forth in Section 2.5(a) below.

(x) "Tenant" means a household legally occupying a Unit pursuant to a valid lease with Owner.

(y) "Term" means the term of this Agreement which commences as of the date of this Agreement, and unless sooner terminated pursuant to the terms of this Agreement, ends ninety-nine (99) years after the Completion Date, provided, however, if a record of the Completion Date cannot be located or established, then upon expiration of the Ground Lease or Phase Lease as applicable.

(z) "Unit" means one or all of the one hundred ninety-six (196) units in the Development, including the three (3) unrestricted manager's unit.

ARTICLE 2
AFFORDABILITY AND OCCUPANCY COVENANTS

Section 2.1 Occupancy Requirements.

(a) 50% Units. During the Term, Owner shall cause no fewer than twenty percent (20%) of the total number of Units developed on the Property to be rented to and occupied by, or, if vacant, available for occupancy by, 50% AMI Households.

(b) 60% Units. During the Term, Owner shall cause no fewer than twenty percent (20%) of the total number of Units developed on the Property to be rented to and occupied by, or, if vacant, available for occupancy by, 60% AMI Households.

(c) Low Income Units. During the Term, Owner shall cause all of the Units that are not designated as 50% Units, 60% Units or Managers' Units to be rented to and occupied by, or if vacant, available for occupancy by Low Income Households.

(d) Managers' Units. Three (3) Units are to be available for designation as the managers' units and are not income or rent restricted by the County.

(e) Permanent Supportive Housing Units. A minimum of twenty five percent (25%) of the Units developed in the first Phase of the Development shall be designated as permanent supportive housing units and available for occupancy by persons at risk of homelessness.

(f) Intermingling of Units. Owner shall cause the Affordable Units to be intermingled throughout the Development and be of comparable quality to all other Units. Tenants in all Units shall have equal access to and enjoyment of all common facilities in the Development. Prior to commencement of construction of any Phase of the Improvements, the Owner shall provide to the County, for its approval, the Unit size breakdown for each category of affordability required by this Regulatory Agreement. The County shall approve or disapprove the Unit size breakdown within thirty (30) days of receipt.

(g) Disabled Persons Occupancy.

(1) Owner shall cause the Development to be operated at all times in compliance with all applicable federal, state, and local disabled persons accessibility requirements including, but not limited to the applicable provisions of: (i) the Unruh Act, (ii) the California Fair Employment and Housing Act, (iii) the United States Fair Housing Act, as amended, (iv) the Americans With Disabilities Act of 1990, and (vi) Chapters 11A and 11B of Title 24 of the California Code of Regulations, which relate to disabled persons access (collectively, the "**Accessibility Requirements**").

(2) In compliance with the Accessibility Requirements: (i) a minimum of 5% of the total Units in the Development must be constructed to be fully accessible to households with a mobility impaired member and, (ii) an additional 2% of the total Units in the Development must be constructed to be fully accessible to hearing and/or visually impaired persons. In compliance with the Accessibility Requirements Owner shall provide the County with a certification from the Development architect that to the best of the architect's knowledge, the Development complies with all federal and state Accessibility Requirements applicable to the Development.

(3) Owner shall indemnify, protect, hold harmless and defend (with counsel reasonably satisfactory to the County) the County, and its board members, officers, and employees, from all suits, actions, claims, causes of action, costs, demands, judgments and liens arising out of Owner's failure to comply with the Accessibility Requirements. This obligation to indemnify survives termination of this Agreement.

(h) Senior Housing. If Owner elects to operate any Phase of the Development as a senior housing development, Owner shall require all Units in the Development, except for the resident manager's unit, to be occupied or held available for occupancy by households containing "elderly" or "senior citizen" residents. Owner shall operate any Phase of the Development designated as a senior housing development at all times in compliance with the provisions of: (i) the Unruh Act, (ii) the United States Fair Housing Act, as amended, and (iii) the California Fair Employment and Housing Act, which relate to lawful senior housing. Owner shall develop and implement appropriate age verification procedures to ensure compliance with the requirements of this Section for any Phase of the Development designated as a senior housing development and Owner shall provide the County with a copy of its written verification procedures. Owner shall indemnify, protect, hold harmless and defend (by counsel reasonably satisfactory to the County) the County, and its board members, officers and employees, from all suits, actions, claims, causes of action, costs, demands, judgments and liens arising out of Owner's failure to comply with applicable legal requirements related to housing for seniors. The indemnification provision in this Section will survive expiration of the Term or other termination of this Agreement.

Section 2.2 Allowable Rent.

(a) Allowable Rent for Affordable Units.

(1) 50% Units. Subject to the provisions of Section 2.2 and Section 2.3 below, Rent paid by Tenants of the 50% Units may not exceed one-twelfth ($1/12^{th}$) of thirty percent (30%) of fifty percent (50%) of Area Median Income adjusted for household size.

(2) 60% Units. Subject to the provisions of Section 2.2 and Section 2.3 below, Rent paid by Tenants of the 60% Units may not exceed one-twelfth ($1/12^{th}$) of thirty percent (30%) of sixty percent (60%) of Area Median Income adjusted for household size (**"60% Rent"**).

(3) Low Income Units. Subject to the provisions of Section 2.2 and Section 2.3 below, Rent paid by Tenants of the Low Income Units may not exceed one-twelfth ($1/12^{th}$) of thirty percent (30%) of eighty percent (80%) of Area Median Income adjusted for household size (**"Low Income Rent"**).

(b) No Additional Fees. Owner shall not charge any fee, other than Rent, to any resident of the Affordable Units for any housing or other services provided by Owner.

Section 2.3 Rent Increases; Increased Income of Tenants.

(a) Rent Increases. Initial Rents and subsequent Rents for all Affordable Units are subject to written County approval. All Rent increases for all Affordable Units are also subject to written County approval, provided, that County approval shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, County's review and approval of Rents and Rent increases shall be limited to determining that such Rents and Rent increases comply with the requirements of this Agreement and County policy. No later than sixty (60) days prior to the proposed implementation of any Rent increase affecting an Affordable Unit, Owner shall submit to the County a schedule of any proposed increase in the Rent charged for the Affordable Units. Rents may not be increased more often than once every twelve (12) months and by no more than five percent (5%) per year, except as set forth in Subsection (b) or (c) below. Owner shall provide each Tenant with at least sixty (60) days written notice of any increase in Rent applicable to such Tenant, following completion of the County approval process set forth above.

(b) Subsidy Units. For an Affordable Unit that is also a Subsidy Unit where the Tenant receives a Section 8 voucher or Owner receives project-based Section 8 assistance, the following applies in the event of an increase in the Tenant's income:

(1) If as a result of an increase in the Tenant's income evidenced by a recertification of income, the entity administering the Section 8 assistance (i.e. HUD or the Public Housing Authority), reduces the amount of the Section 8 assistance provided to the Tenant or to Owner for such Tenant's Unit, the Rent paid by the Tenant may increase above the limit set forth in Section 2.2 for the applicable household, up to the amount that the Rent paid by the Tenant, and the Section 8 assistance provided, equals the Section 8 rent applicable to the Unit.

(2) Owner shall provide the County notice of such Rent increase prior to implementation in accordance with subsection (a) above.

(3) Notwithstanding anything to the contrary contained herein, during any time the Development is subject to a recorded regulatory agreement in favor of the California Tax Credit Allocation Committee, the maximum Rent for the Affordable Units may set in accordance with the rent limits established for the applicable income level by the California Tax Credit Allocation Committee.

(c) Affordable Units.

(1) Increased Income of a 50% AMI Household Above the Limit for a 50% AMI Household but Below Limit for a Low Income Household. Subject to Subsection (a) and (b), in the event that, upon recertification of the income of a Tenant of a 50% Unit, Owner determines that the income of the Tenant has increased to above the qualifying limit of a 50% AMI Household, but below the qualifying limit of a Low Income Household, the Tenant may continue to occupy the Unit and the Tenant's Rent will remain at the rent for the 50% Unit set forth in Section 2.2(a). Owner shall then rent the next available Unit to a 50% AMI Household, at a Rent not exceeding the maximum Rent specified in Section 2.2(a) or designate another Unit

in the Development with a 50% AMI Household as a 50% Unit to comply with the requirements of Section 2.1(a) above. Upon renting the next available Unit in accordance with Section 2.1 or redesignating another Unit in the Development with a 50% AMI Household as a 50% Unit, the Unit with the over-income Tenant will no longer be considered a 50% Unit and the Rent can be increased to the applicable rent for a 60% Unit or a Low Income Unit depending upon the Tenant's income.

(2) Increased Income of a 60% AMI Household Above the Limit for a 60% AMI Household but Below Limit for a Low Income Household. Subject to Subsection (a) and (b), in the event that, upon recertification of the income of a Tenant of a 60% Unit, Owner determines that the income of the Tenant has increased to above the qualifying limit of a 60% AMI Household, but below the qualifying limit of a Low Income Household, the Tenant may continue to occupy the Unit and the Tenant's Rent will remain at the rent for the 60% Unit set forth in Section 2.2(a). Owner shall then rent the next available Unit to a 60% AMI Household, at a Rent not exceeding the maximum Rent specified in Section 2.2(a) or designate another Unit in the Development with a 60% AMI Household as a 60% Unit to comply with the requirements of Section 2.1(a) above. Upon renting the next available Unit in accordance with Section 2.1 or redesignating another Unit in the Development with a 60% AMI Household as a 60% Unit, the Unit with the over-income Tenant will no longer be considered a 60% Unit and the Rent can be increased to the applicable rent for a Low Income Unit depending upon the Tenant's income.

(3) Non-Qualifying Households. Subject to Section 2.3(a) and (b), if, upon recertification of the income of a Tenant of an Affordable Unit, Owner determines that a Tenant of an Affordable Unit has an Adjusted Income exceeding the maximum qualifying income for a Low Income Household, such Tenant shall be permitted to continue occupying the Affordable Unit and upon sixty (60) days written notice, the Rent may be increased to one-twelfth ($1/12^{th}$) of thirty percent (30%) of the actual Adjusted Income of the Tenant provided that such rent does not exceed the maximum rent allowed pursuant to Health and Safety Code Section 50053 for lower income households, and Owner shall then rent the next available Unit to a 50% AMI Household, 60% AMI Household, or Low Income Household, as applicable, at a Rent not exceeding the maximum Rent specified in Section 2.2, or designate another Unit in the Development with a 50% AMI Household as a 50% Unit, a 60% AMI Household as a 60% Unit, or a Low Income Household as a Low Income Unit, as applicable, at a Rent not exceeding the maximum Rent specified in Section 2.2. Upon renting the next available Unit in accordance with Section 2.1 or redesignating another Unit in the Development as a 50% Unit, 60% Unit or Low Income Unit, as applicable, the Unit with the non-qualifying household will be considered Low Income Unit until vacated by the Tenant for purposes of this Agreement.

(d) Termination of Occupancy. Upon termination of occupancy of an Affordable Unit by a Tenant, such Unit shall be deemed to be continuously occupied by a household of the same income level as the initial income level of the vacating Tenant, until such Unit is reoccupied, at which time the income character of such Unit will be redetermined to meet the occupancy requirements of Section 2.1 above.

Section 2.4 County Monitoring Fee.

In connection with the restrictions imposed by this Agreement, the County shall charge Owner and Owner shall pay a monitoring fee in the amount of One Hundred Dollars ($100) per Affordable Unit per year or the County's actual costs of monitoring, whichever is less, commencing on May 1of the year after the first full year of operation of the Development, and on May 1 of each calendar year thereafter through the end of the Term.

Section 2.5 Loss of Subsidy.

(a) Certain Units in the Development (the "**Subsidy Units**") may receive a Rental Subsidy throughout the Term, as reflected in an Annual Operating Budget approved by the County. If any change in federal law occurs, or any action (or inaction) by Congress or any federal, state or local agency occurs, which results in a material reduction, termination or nonrenewal of the Rental Subsidy through no fault of Owner, such that the Rental Subsidy shown on Annual Operating Budget approved by the County is no longer available, Owner shall, in anticipation of such loss in Rental Subsidy, use good faith efforts for a period of sixty (60) days, to obtain alternative sources of rental subsidies and shall provide the County weekly progress reports on Owner's efforts to obtain alternative sources of rental subsidies. If at the end of such sixty (60) day period Owner is unable to secure an alternate source of rental subsidy, notwithstanding Section 2.3, Owner may increase the Rent on one or more of the Affordable Units that overlap with a Subsidy Unit to the affordable rent for the Low Income Units as set forth in Section 2.2(b) above, subject to the following requirements:

(1) Any such Rent increase must be pursuant to a transition plan reasonably approved by the County showing how the Rent increase will be phased-in, and which of the Affordable Units will be subject to the increase, and, if applicable, be consistent with remedial measures set forth in California Code of Regulations Title 4, Division 17, Chapter 1, Section 10337(a)(3) or successor regulation applicable to California's Federal and State Low Income Housing Tax Credit Program;

(2) At the time Owner requests an increase in the Rent, Owner shall provide the County with a copy of the proposed Annual Operating Budget showing the impact of the loss or reduction of the Rental Subsidy;

(3) Any subsequent Rent increases remain subject to Section 2.3(a) above; and

(4) The number of Affordable Units subject to the Rent increase and the level of rent increase may not be greater than the amount required to ensure that the Development generates sufficient income to cover its operating costs and debt service as shown on the Annual Operating Budget, and as is necessary to maintain the financial stability of the Development.

(b) Owner shall continue to use good faith efforts to obtain alternative sources of rental subsidies and shall provide the County with annual progress reports on efforts to obtain alternative sources of rental subsidies that would allow the rents on the

Affordable Units to be reduced back to the Rents set out in Section 2.1(h). Upon receipt of any alternative rental subsidies, Owner shall reduce the rents on the Affordable Units back to the Rents set out in Section 2.1(h), to the extent that the alternative rental subsidies provide sufficient income to cover the operating costs and debt service of the Development as shown on the Annual Operating Budget.

Section 2.6 Rent Increases on Foreclosure.

Notwithstanding Section 2.3, in the event that a Senior Lender foreclosures on the Development (or receives a deed in lieu of foreclosure), the Rents on one or more of the Affordable Units may be increased to the TCAC Low Income Rent to maintain the financial feasibility of the Development, subject to the following requirements:

(a) Any such Rent increase must be pursuant to a transition plan approved by the County in writing showing: (i) how the Rent increase will be phased-in; (ii) which Affordable Units will be subject to the increase; and (iii) the operating income and expenses for the Development comparing the current rent structure to the proposed rent structure;

(b) The number of Affordable Units subject to the Rent increase and the level of rent increase may not be greater than the amount required to ensure that the Development generates sufficient income to cover its operating costs and debt service, and as is necessary to maintain the financial stability of the Development; and

The Rent increase may occur only at the time of renewal of the term of the lease of an existing Tenant or the time of leasing an Affordable Unit to a new Tenant. Any subsequent Rent increases remain subject to Section 2.3 above.

ARTICLE 3
INCOME CERTIFICATION; REPORTING; RECORDS

Section 3.1 Income Certification.

(a) Owner shall obtain, complete, and maintain on file, immediately prior to initial occupancy and annually thereafter, income certifications from each Tenant renting any of the Affordable Units. Owner shall make a good faith effort to verify that the income provided by an applicant or occupying household in an income certification is accurate by taking two (2) or more of the following steps as a part of the verification process: (i) obtain a pay stub for the most recent two (2) months of pay period; (ii) obtain an income tax return for the most recent tax year; (iii) conduct a credit agency or similar search; (iv) obtain an income verification form from the applicant's current employer verifying employment for the last two (2) months; (v) obtain an income verification form from the Social Security Administration and/or the California Department of Social Services if the applicant receives assistance from either of such agencies; or (vi) if the applicant is unemployed and has no such tax return, obtain another form of independent verification.

(b) Owner shall also complete and/or have the Tenants of the Affordable Units complete and sign the "**Income Computation and Certification**" and the "**Owner's Certification of Household Income**" both of which are attached hereto as Exhibit B, or any other form approved by the County, and/or any other forms related to Tenants' income provided to Owner by the County or that provide income information that is sufficient to determine an applicant's income as required by this Section. Copies of Tenant income certifications shall be made available to the County upon request.

Section 3.2 Reporting Requirements.

Upon completion of the construction, Owner shall submit to the County annual reports in a form approved by the County, no later than one hundred twenty (120) days after the end of Owner's fiscal year. The reports shall contain such information as the County may require, including, but not limited to, the following:

(a) The occupancy of the Development indicating:

(1) A listing of current Tenants' names, income levels, Rent charged and paid, move-in dates, and the race and ethnic groups of Tenants;

(2) The number of applicants denied/accepted for tenancy with a household member with criminal convictions, along with the basis of denials; and

Upon request of the County, Owner shall furnish, within fifteen (15) days, copies of all Tenant agreements for the Affordable Units. Within fifteen (15) days after receipt of a written request from the County, Owner shall also submit any other information or completed forms requested by the County (provided, however, that Owner shall in no event be obligated to provide any information that it cannot legally obtain as a housing provider).

Section 3.3 Additional Information.

Owner shall provide any additional information reasonably requested by the County. The County shall have the right to examine and make copies of all books, records or other documents of Owner which pertain to the Development.

Section 3.4 Tenant Records.

Owner shall maintain complete, accurate and current records pertaining to the income and household size of Tenants. All Tenant lists, applications and waiting lists relating to the Development shall at all times be kept separate and identifiable from any other business of Owner and shall be maintained as required by the County, in a reasonable condition for proper audit and subject to examination during business hours by representatives of the County. Owner shall retain copies of all materials obtained or produced with respect to occupancy of the Affordable Units for a period of at least five (5) years. The County may examine and make copies of all books, records or other documents of Owner that pertain to the Tenants.

Section 3.5 Development Records.

(a) Owner shall keep and maintain at the principal place of business of Owner set forth in Section 6.11 below, or elsewhere with the County's written consent, full, complete and appropriate books, records and accounts relating to the Development. Owner shall cause all books, records and accounts relating to its compliance with the terms, provisions, covenants and conditions of the Ground Lease and this Agreement to be kept and maintained in accordance with generally accepted accounting principles consistently applied, and to be consistent with requirements of this Agreement. Owner shall cause all books, records, and accounts to be open to and available for inspection and copying by the County, its auditors or other authorized representatives at reasonable intervals during normal business hours. Owner shall cause copies of all tax returns and other reports that Owner may be required to furnish to any government agency to be open for inspection by the County at all reasonable times at the place that the books, records and accounts of Owner are kept. Owner shall preserve such records for a period of not less than five (5) years after their creation in compliance with all County records and accounting requirements. If any litigation, claim, negotiation, audit exception, monitoring, inspection or other action relating to the use of the Property is pending at the end of the record retention period stated herein, then Owner shall retain the records until such action and all related issues are resolved. Such records are to include but are not limited to:

(1) Records demonstrating compliance with the affordability and income requirements for Tenants; and

(2) Records documenting compliance with the fair housing, equal opportunity, and affirmative fair marketing requirements.

The County shall notify Owner of any records it deems insufficient. Owner shall have fifteen (15) days after the receipt of such a notice to correct any deficiency in the records specified by the County in such notice, or if a period longer than fifteen (15) days is reasonably necessary to correct the deficiency, then Owner shall begin to correct the deficiency within fifteen (15) days and correct the deficiency as soon as reasonably possible.

Section 3.6 <u>On-site Inspection</u>.

The County shall have the right to perform an on-site inspection of the Development when deemed necessary by the County, in any event at least one (1) time per year upon reasonable notice to Owner. Owner agrees to cooperate in such inspection.

ARTICLE 4
MISCELLANEOUS

Section 4.1 <u>Nondiscrimination</u>.

(a) Owner covenants by and for Owner, its assigns, and all persons claiming under or through Owner, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, religion, creed, age, disability, sex, sexual orientation, marital status, familial status, source of income, ancestry or national origin, Vietnam era veteran's status, political affiliation, HIV/AIDS, or any other arbitrary basis, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of any Unit nor shall Owner or any person claiming under or through Owner, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of any Unit or in connection with the employment of persons for the construction, operation and management of any Unit. Notwithstanding the above, with respect to familial status, the above should not be construed to apply to housing for older persons as defined in Section 12955.9 of the Government Code and other applicable sections of the Civil Code as identified in Health and Safety Code Section 33050(b).

(b) Nothing in this Section prohibits Owner from requiring Affordable Units in the Development to be available to and occupied by eligible households in accordance with this Agreement.

(c) Owner shall accept as Tenants, on the same basis as all other prospective Tenants, persons who are recipients of federal certificates for rent subsidies pursuant to the existing housing program under (i) Section 8 of the United States Housing Act, or its successor, and (ii) other federal, state or local tenant-based assistance. Owner shall not apply selection criteria to Section 8 certificate or voucher holders that are more burdensome than criteria applied to all other prospective Tenants, nor shall Owner apply or permit the application of management policies or lease provisions with respect to the Development which have the effect of precluding occupancy of units by such prospective Tenants.

Section 4.2 Application of Provisions.

The provisions of this Agreement shall apply to the Development and Owner's interest in the Property for the entire Term. This Agreement binds any successor, heir or assign of Owner, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by the County. The County enters into the Ground Lease on the condition, and in consideration of, this provision, and would not do so otherwise.

Section 4.3 Notice of Expiration of Term.

(a) At least six (6) months prior to the expiration of the Term, Owner shall provide by first-class mail, postage prepaid, a notice to all Tenants containing (i) the anticipated date of the expiration of the Term, (ii) any anticipated increase in Rent upon the expiration of the Term, (iii) a statement that a copy of such notice will be sent to the County, and (iv) a statement that a public hearing may be held by the County on the issue and that the Tenant will receive notice of the hearing at least fifteen (15) days in advance of any such hearing. Owner shall also file a copy of the above-described notice with the Housing Director.

(b) In addition to the notice required above, Owner shall comply with the requirements set forth in California Government Code Sections 65863.10 and 65863.11. Such notice requirements include: (i) a three (3) year notice to existing tenants, prospective tenants and Affected Public Agencies (as defined in California Government Code Section 65863.10(a), which would include the Housing Director) prior to the expiration of the Term, (ii) a twelve (12) month notice to existing tenants, prospective tenants and Affected Public Agencies prior to the expiration of the Term; (iii) a six (6) month notice requirement to existing tenants, prospective tenants and Affected Public Agencies prior to the expiration of the Term; (iv) a notice of an offer to purchase the Development to "qualified entities" (as defined in California Government Code Section 65863.11(d)), if the Development is to be sold within five (5) years of the end of the Term; (iv) a notice of right of first refusal within the one hundred eighty (180) day period that qualified entities may purchase the Development.

Section 4.4 Covenants to Run With the Land.

The County and Owner hereby declare their express intent that the covenants and restrictions set forth in this Agreement shall run with the land and shall bind all successors in title to the Development; provided, however, that on the expiration of the Term, said covenants and restrictions expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Development or Owner's interest in the Property or any portion thereof, is to be held conclusively to have been executed, delivered and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed or other instrument, unless the County expressly releases such conveyed portion of the Development or Owner's interest in the Property from the requirements of this Agreement.

Section 4.5 Enforcement by the County.

If Owner fails to perform any obligation under this Agreement, and fails to cure the default within thirty (30) days after the County has notified Owner in writing of the default or, if the default cannot be cured within thirty (30) days, failed to commence to cure within thirty (30) days and thereafter diligently pursue such cure and complete such cure within sixty (60) days, the County shall have the right to enforce this Agreement by any or all of the following actions, or any other remedy provided by law:

(a) Action to Compel Performance or for Damages. The County may bring an action at law or in equity to compel Owner's performance of its obligations under this Agreement, and/or for damages.

(b) Remedies Provided Under Ground Lease. The County may exercise any other remedy provided under the Ground Lease.

Section 4.6 Attorneys' Fees and Costs.

In any action brought to enforce this Agreement, the prevailing party shall be entitled to all costs and expenses of suit, including reasonable attorneys' fees. This Section shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.

Section 4.7 Recording and Filing.

The County and Owner shall cause this Agreement, and all amendments and supplements to it, to be recorded in the Official Records of the County of Alameda.

Section 4.8 Governing Law.

This Agreement is governed by the laws of the State of California.

Section 4.9 Waiver of Requirements.

Any of the requirements of this Agreement may be expressly waived by the County in writing, but no waiver by the County of any requirement of this Agreement shall, or shall be deemed to, extend to or affect any other provision of this Agreement.

Section 4.10 Amendments.

This Agreement may be amended only by a written instrument executed by all the parties hereto or their successors in title, and duly recorded in the Official Records of the County of Alameda. Any legal fees incurred due to any amendment of this Agreement shall be paid for by Owner.

Section 4.11 Notices.

Formal notices, demands, and communications between the Parties shall be sufficiently given if, and shall not be deemed given unless, dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered by express delivery service, return receipt requested, or delivered personally, to the principal office of the Parties as follows:

County:

County of Alameda
General Services Agency
1401 Lakeside Drive, 10th Floor
Oakland, CA 94612

Attention: Director

With copy to:

County of Alameda
Community Development Agency
224 West Winton
Hayward, CA 94544
Attn: Director

County of Alameda
County Counsel
1221 Oak Street, Suite 450
Oakland, CA 94612
Attn:

Owner:

JKL Building A Housing Partners, LP
c/o Related California
44 Montgomery Street, Suite 1310
San Francisco, California 94104
Attention: Ann Silverberg

With copy to

c/o East Bay Asian Local Development Corporation
1825 San Pablo Avenue, Suite 200
Oakland, California 94612
Attention: Kelly Drumm

Such written notices, demands and communications may be sent in the same manner to such other addresses as the affected Party may from time to time designate by mail as provided in this Section. Receipt shall be deemed to have occurred on the date shown on a written receipt as the date of delivery or refusal of delivery (or attempted delivery if undeliverable).

Section 4.12 Severability.

If any term of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions will continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

Section 4.13 Multiple Originals; Counterparts.

This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

Section 4.14 Term.

The provisions of this Agreement shall apply to the Property for the entire Term. This Agreement shall bind any successor, heir or assign of Owner, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by the County. The County enters into the Ground Lease on the condition, and in consideration of, this provision, and would not do so otherwise.

[Signatures on following page]

WHEREAS, this Agreement has been entered into by the undersigned as of the date first written above.

COUNTY:

COUNTY OF ALAMEDA,
a political subdivision of the State of California

By: ______________________________

OWNER:

JKL Building A Housing Partners, L.P.,
a California limited partnership

By: Related/JKL Building A Development Co., LLC, a California limited liability company, its administrative general partner

By: ______________________________
Ann Silverberg, President

By: EBALDC JKL Building A Development Co., LLC, a California limited liability company, its managing general partner

By: East Bay Asian Local Development Corporation, a California nonprofit public benefit corporation, its manager

By: ______________________________
Capri Roth, Executive Vice President

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

STATE OF CALIFORNIA)
)
COUNTY OF ________________)

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

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

WITNESS my hand and official seal.

____
Name: ______________________

Notary Public

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

STATE OF CALIFORNIA)
)
COUNTY OF ____________)

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

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

WITNESS my hand and official seal.

____

Notary Public

Name: ______________________

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EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, BOUNDED BY FOURTH STREET, FIFTH STREET, FRANKLIN STREET AND BROADWAY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

COMMENCING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FRANKLIN STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET AND RUNNING THENCE ALONG SAID NORTHWESTERLY LINE OF FRANKLIN STREET NORTHEASTERLY 200.05 FEET TO AN INTERSECTION THEREOF WITH THE SOUTHWESTERLY LINE OF FIFTH STREET; THENCE ALONG SAID SOUTHWESTERLY LINE OF FIFTH STREET NORTHWESTERLY 300.30 FEET TO AN INTERSECTION THEREOF WITH THE SOUTHEASTERLY LINE OF BROADWAY; THENCE ALONG SAID SOUTHEASTERLY LINE SOUTHWESTERLY 200.05 FEET TO AN INTERSECTION THEREOF WITH THE AFORESAID NORTHEASTERLY LINE OF FOURTH STREET; THENCE ALONG SAID NORTHEASTERLY LINE SOUTHEASTERLY 300.30 FEET TO THE POINT OF COMMENCEMENT.

APN: 001-0139-001-00; (400/430 Broadway)

EXHIBIT B

INCOME COMPUTATION AND CERTIFICATION

I, the Undersigned, certify that I have read and answered fully, and truthfully each of the following questions for all persons in the household who are to occupy a room in this house for which application is made.

Occupant's Name	Social Security #	Age	Place of Employment	Annual Income
1.				
2.				
3.				
4.				
5.				
6.				
7.				
			TOTAL:	

The total anticipated annual household income* for the twelve (12) month period beginning this date (the sum of the final column): $ ____________________.

Signed:________________________ Date: ________________
Head of Household

* The anticipated annual Income as determined by Attachment A.

Owner's Certification of Household Income

Household Name ____________________

I certify, as Owner/Management Agent for ________________________ that I have verified this Household's Income by using the following:

1. Tax returns ________________
2. Place of employment verification ________________
3. Pay stubs ________________
4. Notarized statement from lessee ________________
5. Other (please describe) ________________

____
Owner/Management Agent

____
Date

Exhibit H
Quitclaim Deed

RECORDING REQUESTED BY:
Old Republic Title Company

When Recorded Mail Document and Tax Statement To:
JKL Building A Housing Partners, L.P.
c/o The Related Companies of California LLC
44 Montgomery Street, Suite 1310
San Francisco, CA 94104
Attn: Ann Silverberg

Order No. ________________

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN: 001-0139-001-00

QUITCLAIM DEED
(430 Broadway - Improvements)

The undersigned grantor declares:

"Documentary Transfer Tax is not shown pursuant to Section 11932 of the California Revenue and Taxation Code, as amended."

County of Alameda

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the County of Alameda, a body corporate and politic and a subdivision of the State ("Grantor")

hereby quitclaims to JKL Building A Housing Partners, L.P., a California limited partnership ("Grantee")

any interest it has to all buildings and improvements situated on that certain property located in the City of Oakland, County of Alameda, State of California described in Exhibit A attached hereto and made a part hereof (the "Property"). For avoidance of doubt, this quitclaim deed does not include any of the real property or any air rights in the Property and solely and exclusively quitclaims the Grantor's interest in the buildings and improvements.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, the parties hereto have executed this Quitclaim Deed as of__________, 202_. This Quitclaim Deed shall be deemed delivered to Grantee upon the date of its recordation in the Official Records of the County of Alameda.

GRANTOR:

By: COUNTY OF ALAMEDA, a body corporate and politic and a subdivision of the State

By: ______________________________

GRANTEE:

JKL Building A Housing Partners, L.P.,
a California limited partnership

By: Related/JKL Building A Development Co., LLC, a California limited liability company, its administrative general partner

By: ________________________
Ann Silverberg, President

By: EBALDC JKL Building A Development Co., LLC, a California limited liability company, its managing general partner

By: East Bay Asian Local Development Corporation, a California nonprofit public benefit corporation, its manager

By: ________________________
Capri Roth, Executive Vice President

[ALL SIGNATURES MUST BE NOTARIZED]

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

STATE OF CALIFORNIA)
)
COUNTY OF ________________)

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

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

WITNESS my hand and official seal.

____
Name: ___________________________
Notary Public

{1855\03\138979.1}

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

STATE OF CALIFORNIA)
)
COUNTY OF ________________)

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

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

WITNESS my hand and official seal.

____
Name: _____________________________
Notary Public

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STATE OF CALIFORNIA)
)
COUNTY OF ________________)

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

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

WITNESS my hand and official seal.

____
Name: ____________________________
Notary Public

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1855\03\3039869.10

EXHIBIT A

LEGAL DESCRIPTION

EXHIBIT A

The land referred to is situated in the County of Alameda, City of Oakland, State of California, and is described as follows:

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, BOUNDED BY FOURTH STREET, FIFTH STREET, FRANKLIN STREET AND BROADWAY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY LINE OF FRANKLIN STREET WITH THE NORTHEASTERLY LINE OF FOURTH STREET AND RUNNING THENCE ALONG SAID NORTHWESTERLY LINE OF FRANKLIN STREET NORTHEASTERLY 200.05 FEET TO AN INTERSECTION THEREOF WITH THE SOUTHWESTERLY LINE OF FIFTH STREET; THENCE ALONG SAID SOUTHWESTERLY LINE OF FIFTH STREET NORTHWESTERLY 300.30 FEET TO AN INTERSECTION THEREOF WITH THE SOUTHEASTERLY LINE OF BROADWAY; THENCE ALONG SAID SOUTHEASTERLY LINE SOUTHWESTERLY 200.05 FEET TO AN INTERSECTION THEREOF WITH THE AFORESAID NORTHEASTERLY LINE OF FOURTH STREET; THENCE ALONG SAID NORTHEASTERLY LINE SOUTHEASTERLY 300.30 FEET TO THE POINT OF

COMMENCEMENT.

APN: 001-0139-001-00; (400/430 Broadway)

LEASE DISPOSITION AND DEVELOPMENT AGREEMENT

BETWEEN

THE COUNTY OF ALAMEDA,

AND

JKL BUIDLING A HOUSING PARTNERS, LP

Dated as of ______________