RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

HDP Broadway, L.P.
c/o Housing Development Partners of San Diego
1055 9th Avenue
San Diego, CA 92101
Attention: Michael Pavco

MAIL TAX STATEMENTS TO:

HDP Broadway, L.P.
c/o Housing Development Partners of San Diego
1055 9th Avenue
San Diego, CA 92101
Attention: Michael Pavco

SPACE ABOVE THIS LINE FOR RECORDER'S USE

MEMORANDUM OF LEASE

This Memorandum of Lease (the "**Memorandum**") is dated as of November 1, 2014, but made effective on the 25th day of November, 2014, between City of San Diego, a California municipal corporation ("**Landlord**"), HDP Broadway, L.P., a California limited partnership ("**Lessee**") and Housing Development Partners of San Diego, a California nonprofit public benefit corporation ("**Prior Lessee**") who agree as follows:

1. Landlord and Prior Lessee were parties to that certain Percentage Ground Lease dated May 24, 2013, with respect to the real property (the "**Property**") described as set forth in Exhibit A attached hereto, as amended by that certain First Amendment to Percentage Ground Lease dated effective as of April 1, 2014 by and between Landlord and Prior Lessee, as further amended pursuant to that certain Second Amendment to Percentage Ground Lease dated effective as of November 20, 2014 by and between Landlord and Prior Lessee, and as further amended by that certain Addendum, Assignment, Assumption and Lessor Consent, Estoppel and Nondisturbance Agreement (the "**Addendum**") dated effective as of November 25, 2014 by and among, Landlord, Prior Lessee, Lessee and Citibank, N.A., a national banking association (as so amended, the "**Lease**").

2. Pursuant to the Addendum, which is to be recorded concurrently herewith, the Lease is being assigned to, and assumed by, Lessee.

3. Pursuant to the Lease, Landlord has leased the Property to Lessee and Lessee has accepted tenancy of the Property from Landlord commencing on the Commencement Date (as defined therein) for the term specified therein consisting of sixty five (65) years from and after the Commencement Date.

4. The provisions of the Lease to be performed by Lessee, whether affirmative or negative in nature, are intended to and shall bind Lessee and its successors and assigns at any time, and shall inure to the benefit of Landlord and its successors and assigns.

5. The provisions of the Lease to be performed by Landlord, whether affirmative or negative in nature, are intended to and shall bind Landlord and its successors and assigns at any time, and shall inure to the benefit of Lessee and its successors and assigns.

6. Landlord acknowledges and agrees that the Lease Agreement dated September 14, 1979 (the "**Original Lease**") between Landlord and San Diego Kind Corporation, a California nonprofit public benefit corporation ("**SD Kind**") as amended pursuant to that certain First Amendment to the Lease dated May 29, 2013 between Landlord and SD Kind, as assigned to, and assumed by, HDPOSD pursuant to that certain Assignment and Assumption of Ground Lease by and between SD Kind, as assignor, and HDPOSD, as assignee, and recorded in the Official Records of San Diego County Recorder's Office on February 14, 2014, as Document No. 2014-0063697. The Original Lease has terminated in its entirety and is of no force and effect as of the Commencement Date.

7. This Memorandum is prepared for the purpose of recordation only and it in no way modifies any of the provisions of the Lease.

8. Reference is hereby made to the entire Lease for any and all purposes. A true copy of the Lease is on file in the office of the San Diego City Clerk, 202 C Street, 2nd Floor, San Diego, California 92101.

IN WITNESS WHEREOF, the Landlord and the Lessee have executed this Memorandum as of the date first set forth above.

[signatures to follow on subsequent page]

LANDLORD

THE CITY OF SAN DIEGO

By: _____
Name: Cybele Thompson
Title: Director, Real Estate Assets

PRIOR LESSEE

HOUSING DEVELOPMENT PARTNERS OF SAN DIEGO, a California nonprofit public benefit corporation

By: _____
Michael Pavco
Executive Director

LESSEE

HDP Broadway, L.P.,
a California limited partnership

By: HDP Broadway Management, LLC, a California limited liability company, its Managing General Partner

By: Housing Development Partners of San Diego, a California nonprofit public benefit corporation, its Managing Member

By: _____
Michael Pavco
Executive Director

Approved as to form and legality

This 21st day of November, 2014

JAN I. GOLDSMITH, CITY ATTORNEY

By: _____
Jeremy Fonseca
Deputy City Attorney

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT CIVIL CODE § 1189

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 San Diego)

On Nov 21, 2014 (Date) before me, Peggy Martinez Notary Public (Here Insert Name and Title of the Officer)

personally appeared Michael Pauco (Name(s) of Signer(s))

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.

PEGGY MARTINEZ
Commission # 1915190
Notary Public - California
San Diego County
My Comm. Expires Dec 4, 2014

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.

Signature _____ (Signature of Notary Public)

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Memorandum of Lease Document Date: Nov. 1, 2014

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____	Signer's Name: _____
☐ Corporate Officer — Title(s): _____	☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General	☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other: _____	☐ Other: _____
Signer Is Representing: _____	Signer Is Representing: _____

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT CIVIL CODE § 1189

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 San Diego)
On Nov 21, 2014 before me, Peggy Martinez
Date *Here Insert Name and Title of the Officer*
personally appeared Cybele Lee Thompson
Name(s) of Signer(s)

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.

Signature _____
Signature of Notary Public

PEGGY MARTINEZ
Commission # 1915190
Notary Public - California
San Diego County
My Comm. Expires Dec 4, 2014

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document
Title or Type of Document: Memorandum of Lease Document Date: Nov. 1, 2014
Number of Pages: _____ Signer(s) Other Than Named Above: _____

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Signer's Name: _____	Signer's Name: _____
☐ Corporate Officer — Title(s): _____	☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General	☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other: _____	☐ Other: _____
Signer Is Representing: _____	Signer Is Representing: _____

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EXHIBIT A

TO MEMORANDUM OF LEASE

LEGAL DESCRIPTION

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:

ADDENDUM, ASSIGNMENT, ASSUMPTION AND
LESSOR CONSENT, ESTOPPEL AND NONDISTURBANCE AGREEMENT

This **ADDENDUM, ASSIGNMENT, ASSUMPTION AND LESSOR CONSENT, ESTOPPEL, AND NONDISTURBANCE AGREEMENT** (the "**Agreement**") is dated as of November 1, 2014, but made effective on the 25th day of November, 2014, by and among **CITIBANK, N.A.**, a national banking association ("**Lender**"), **HOUSING DEVELOPMENT PARTNERS OF SAN DIEGO**, a California nonprofit public benefit corporation ("**HDPOSD**"), **HDP BROADWAY, L.P.**, a California limited partnership (the "**Borrower**") and the **CITY OF SAN DIEGO** ("**City**"); who agree as follows:

1. Recitals. This Agreement is made with reference to the following facts:

1.1 The City owns the real property located in San Diego, California described on the attached Exhibit "A" (the "**Real Property**") and commonly known as San Diego Square Apartments. The Real Property, all improvements located thereon (the "**Improvements**") and all easements appurtenant thereto are collectively called the "**Premises.**"

1.2 City, as lessor, and San Diego Kind Corporation, a California nonprofit corporation ("**SD Kind**"), as lessee, were parties to that certain Lease Agreement (the "**Existing Lease**") filed in the Office of the San Diego City Clerk on September 14, 1979, as Document No. RR-250195, as amended pursuant to that certain First Amendment to Lease dated May 29, 2013 between City and SD Kind, and relating to the ground lease of the Real Property.

1.3 Pursuant to that certain Assignment and Assumption of Ground Lease dated February 7, 2014 and recorded February 14, 2014 and recorded as Document No. 2014-0063697 in the Official Records of the San Diego County Recorder's Office (the "**Official Records**"), SD Kind assigned, transferred, and conveyed to HDPOSD all of SD Kind's right, title and interest in, to and under the Existing Lease and HDPOSD accepted such assignment and assumed SD Kind's obligations under the Existing Lease from the effective date thereof.

1.4 Fee title to the Improvements was vested in HDPOSD by Grant Deed recorded February 14, 2014 and recorded as Document No. 2014-0063696 in the Official Records.

1.5 HDPOSD, as lessee, and City, as lessor, have entered into that certain City of San Diego Percentage Ground Lease dated effective as of May 24, 2013 and filed on May 14, 2013, as Document No. RR-308156 in the Office of the City Clerk, San Diego, relating to the Real Property, as amended pursuant to that certain First Amendment to Percentage Ground Lease dated effective as of April 1, 2014 and filed as Document No. RR-308899, and that certain Second Amendment to Percentage Ground Lease dated effective as of November 20, 2014 and filed on November 18, 2014 as Document No. RR-309323, and as described in Exhibit "B" (as so amended, the "**Lease**").

1.6 As contemplated by the "Recitals, Information, Conditions, Termination of Existing Lease" section of the Lease, HDPOSD intends to assign the Lease to a limited partnership of which HDPOSD, or an affiliate thereof, will be the general partner to secure anticipated financing to pay for a potential Rehabilitation (as defined in the Lease) of the Improvements.

1.7 In accordance with its intentions, HDPOSD desires to assign to Borrower and Borrower desires to assume all of HDPOSD's rights and obligations as lessee under the Lease. The Borrower is a limited partnership, the general partner ("**General Partner**") of which is HDP Broadway Management, LLC, a California limited liability company ("**HDP Broadway Management**") and HDP Broadway Management is owned 79% by HDPOSD and 21% by Senior Housing Corporation, a California nonprofit public benefit corporation. The limited partners of the Borrower ("**Limited Partners**") are Boston Capital Commonwealth Tax Credit Fund III, A Limited Partnership (as anticipated successor to Boston Capital Direct Placement, A Limited Partnership), a Massachusetts limited partnership, and BCCC, Inc., a Massachusetts corporation. Concurrently herewith HDPOSD is selling to Borrower and Borrower is purchasing from HDPOSD by deed the fee ownership interest in the Improvements and Borrower will perform the Rehabilitation.

1.8 Borrower has applied to the Housing Authority of the City of San Diego, a public body corporate and politic, duly organized and existing under the laws of the State of California (the "**Governmental Lender**"), for a loan (the "**Loan**") to finance the acquisition of HDPOSD's rights and obligations as lessee under the Lease and the Rehabilitation of the Improvements. The Loan is evidenced by that certain Multifamily Note dated November 25, 2014 in the original principal amount of $17,825,000 made by Borrower payable to the order of Governmental Lender (the "**Note**") and that certain Loan Agreement dated as of the date hereof between Borrower and Governmental Lender (the "**Loan Agreement**"). The Loan is secured by, among other things, that certain Multifamily Leasehold Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated as of the date hereof executed by Borrower for the benefit of Governmental Lender (the "**Deed of Trust**"; and together with the Note, the Loan Agreement and all other documents executed in connection with the Loan, including this Agreement, the "**Loan Documents**"), which Deed of Trust encumbers the Borrower's interest in the Lease and Premises.

1.9 Borrower has requested that Lender enter into that certain Funding Loan Agreement dated as of the date hereof, among Governmental Lender, MUFG Union Bank, N.A., a national banking association, as Fiscal Agent, and Lender, pursuant to which Lender will make a loan to Governmental Lender (the "**Funding Loan**"), the proceeds of which have been used to make the Loan pursuant to the Loan Agreement to Borrower. The Note, the Deed of Trust and the Loan Agreement are each being assigned by Governmental Lender to Lender to secure the Funding Loan.

1.10 As contemplated by the Recitals, Information, Conditions, Termination of Existing Lease section of the Lease, the commencement of the Lease is expressly conditioned upon all of the conditions precedent set forth in Recital J of the Lease (the "**Conditions Precedent**") being satisfied on or before April 30, 2015.

1.11 The provisions of this Agreement are intended to be supplementary to, and not in derogation of, the parties' rights and obligations contained in the Lease (including all of Lender's rights under the Lease as a lender and leasehold mortgagee), but in the event of any conflict or inconsistency between the terms of the Lease and the terms of this Agreement, the terms of this Agreement shall govern and control, and the Lease shall be deemed to be modified hereby. Capitalized terms used in this introductory paragraph shall have the respective meanings given thereto as set forth below. Capitalized terms not defined herein shall have the respective meanings given thereto in the Lease.

1.12 In connection with the foregoing, and as set forth below, concurrent with the making of the Loan and recordation of the Deed of Trust, Lender, HDPOSD, Borrower and City desire to enter into this Agreement.

2. Incorporation of Recitals. The parties hereto agree that the recitals set forth above are incorporated by reference into this Agreement and form a material part of this Agreement upon which the parties have relied.

3. Assignment and Assumption. HDPOSD hereby assigns all of its right, title, interest and obligations in and under the Lease to Borrower. Borrower hereby assumes all of HDPOSD's right, title, interest and obligations in and under the Lease. Borrower further assumes and agrees to perform all of the duties, obligation, covenants, agreements, promises, terms, conditions and provisions contained in the Lease to be observed, kept, performed or complied with by LESSEE, from and after the effective date of this Agreement. Notwithstanding the foregoing, City is not waiving any obligations under the Lease which are personal to HDPOSD.

4. Consent of City.

4.1 City hereby consents to the assignment to Borrower of all of HDPOSD's right, title, interest and obligations in and under the Lease; provided, however, that HDPOSD is not released from liability under the Lease or the Existing Lease for matters arising out of conditions existing on or before the effective date of this Agreement.

4.2 City hereby further consents to Borrower's pledge, assignment, and hypothecation to Governmental Lender of Borrower's leasehold interest under the Lease and of its right, title and interest in and to the Premises pursuant to the Lease (and any modifications, extensions, consolidations, or replacements thereto or thereof and any future advances thereunder), including assignment to Governmental Lender of Borrower's interest in and to the Lease, the Premises and all subleases of the Premises or any portions thereof, in connection with the Loan, and to the assignment from Governmental Lender to Lender all of Governmental Lender's right, title and interest in and to the Note, the Deed of Trust and the Loan Agreement. All such consent is in satisfaction of the requirements of Sections 4.2 and 4.3 of the Lease. No additional consent of City is required for Lender, any entity in which Lender holds a direct or indirect controlling interest or any nominee of the foregoing acting in its own name or in Lender's name solely as an agent of the foregoing (each, a "**Lender Affiliate**") or any "**Qualified Regulated Financial Institution**" (as defined in Section 12 below) to acquire any interest in the Loan, Lease or the Premises; however, Lender shall notify City of the event of any such acquisition.

5. Commencement Date; Lease Term. City hereby certifies, as of the effective date hereof, that all Conditions Precedent to the effectiveness of the Lease have been satisfied or waived. As required by Section 2.1.1 of the Lease, this Agreement shall evidence that the term of the Lease shall be 65 years from the effective date hereof, which it is agreed shall be the Commencement Date. Effective as of the Commencement Date, the Existing Lease is hereby terminated.

6. Estoppel. City further certifies, as of the date hereof, to Lender and Borrower with respect to the Lease as follows:

6.1 Except as identified in Exhibit "B", there are no other amendments, supplements, modifications or changes to the Lease. The documents described on Exhibit "B", together with this Agreement, collectively constitute the entire agreement between the City and Borrower with respect to the Premises, and are enforceable against Borrower and City in accordance with their terms.

6.2 City is the Lessor under the Lease with respect to the Premises and City has not transferred its interest under the Lease.

6.3 All rents, charges and amounts due to City under the Existing Lease (including those that may have accrued thereunder) have been paid or waived.

6.4. To the best of City's knowledge, no default, or any event or condition which, with the passing of time or the giving of notice, or both, would constitute a default on the part of City or Borrower, exists under the Lease in the performance of the terms, covenants and conditions of the Lease required to be performed on the part of City or Borrower.

6.5 The current uses of the Premises comply with the Lease and all applicable zoning and land use and occupancy laws and regulations affecting the Premises.

6.6 City acknowledges receipt of a copy of the Deed of Trust and any other Loan Documents that the City has requested to review.

6.7 City, in its Landlord capacity only, has approved the Rehabilitation in accordance with the Plans and Specifications as approved by the Development Services Department of the City of San Diego.

7. Need for Lender's Consent.

7.1 City acknowledges and agrees that, during the term of the Loan, as it may be extended, Borrower may not surrender, abandon, cancel, modify, amend, restate or voluntarily terminate the Lease or all or any part of the leasehold estate, without the prior written consent of Lender, which consent may be given, conditioned or withheld in Lender's sole discretion Borrower will not accept any conveyance of all or any part of the leasehold estate without the prior written consent of Lender, which consent may be given, conditioned or withheld in Lender's sole discretion. The canceling, modifying, restating, amending or terminating of the Lease by City without Lender's prior written consent (other than a termination of the Lease following a default that remains uncured or waived following City's compliance with the terms and conditions set forth in this Agreement, including without limitation Lender's and the Limited Partners' notice and cure rights set forth in this Agreement and Lender's rights to obtain a new lease) shall (at Lender's option or either Limited Partner's option, as applicable) be null, void, and of no force or effect, and not bind any party to the Lease, including the Lender or any new lessee. In no event shall any abandonment of the Premises or the leasehold estate or any action by Borrower to terminate the Lease be effective without the prior written consent of Lender. City agrees that it shall give notice (as defined and required herein) to Lender and the Limited Partners of any such abandonment or action by Borrower to terminate the Lease, and Lender shall thereupon be entitled to exercise its rights and remedies under the Deed of Trust or other Loan Documents and the provisions of this Agreement and the Limited Partners shall thereupon be entitled to exercise their rights and remedies under the provisions of this Agreement.

7.2 Without Lender's and Limited Partners' prior written consent, which may be given, conditioned or withheld in such party's sole discretion (other than as expressly provided below), City shall not (a) assign the Lease or sublet the Premises or any part thereof except as permitted herein or (b) encumber all or any portion of City's interest in the Lease or Premises; provided, that Lender's and Limited Partners' consent to amendments to the Lease that do not affect the principal economic terms of the Lease shall not be unreasonably withheld, conditioned or delayed.

7.3 No consent, approval or submittal by Borrower and no agreement relating to any of Borrower's rights, powers, privileges and obligations under the Lease shall be deemed final, valid, binding or of any force or effect, unless Lender has approved each such consent, approval, submittal and agreement in writing and in advance, or waived its right to approve the same in writing and in advance (which waiver shall relate solely to the specific consent, approval, submittal or agreement provided to Lender for its approval and shall not constitute a waiver of Lender's right to consent with respect to any other consent, approval, submittal or

agreement); provided, however, that in issuing or waiving such consents, approvals, submittals and agreements, Lender shall not incur any liability or assume any obligations with respect thereto.

8. Casualty and Condemnation.

8.1 In the event of any damage to or destruction of the Premises, subject in all events to the requirements of the Lender (which shall prevail), any proceeds of insurance shall be paid directly to Lender for application in accordance with the provisions of the Deed of Trust and the other Loan Documents until the indebtedness and obligations under the Deed of Trust and the other Loan Documents have been paid and satisfied in full, and thereafter shall be paid to or apportioned between City and/or Borrower as provided under the other provisions of the Lease. No election by City or Borrower to terminate the Lease upon any such casualty shall be effective without the prior written consent of Lender.

8.2 In the event of any condemnation affecting the Premises, notwithstanding anything to the contrary in Section 7.1.3 of the Lease or this Section 8.2, that part of any award or other compensation attributable to the value of Borrower's interest in the leasehold estate created by the Lease, that part of the award attributable to value of Borrower's interest in the operating business within the Improvements, and that part of any award attributable to the value of Borrower's interest in the Improvements for the then-remaining term of the Lease (collectively, the "**Borrower Portion**"), as determined by the appraisal method set forth in Section 8.4 below, shall be paid to Lender for application in accordance with the provisions of the Deed of Trust and the other Loan Documents until the indebtedness and obligations under the Deed of Trust and the other Loan Documents have been paid and satisfied in full, and thereafter shall be paid to or apportioned to Borrower as provided under the Lease. Notwithstanding the foregoing, any portion of any award or other compensation attributable (i) solely to the taking of the land or fee estate, and (ii) to any loss of value of City's interest as lessor under the Lease (including any reversionary interest in the Improvements) (the "**City Portion**"), each such amount determined by the appraisal method set forth in Section 8.4 below, shall be paid directly to City. In any such condemnation proceeding, to the extent not prohibited by law, City and Borrower agree to request that the court make or approve separate condemnation awards to City and Borrower, apportioned in accordance with Section 8.4 below, and that the court take such matters in account in rendering or approving separate awards.

8.3 In the event legal or other proceedings shall be instituted: (i) for the exercise of the power of eminent domain, or (ii) as a result of any damage to or destruction of the Premises, the City will provide reasonable prior notice to Lender of any such proceedings and will permit Lender to participate therein as an interested party. Should City or Borrower receive notice of institution of any proceedings, the party receiving such notice shall notify the other and Lender in accordance of the Notice provisions of the Lease, not later than thirty (30) days after receiving such notice. Further, City and Borrower will provide reasonable prior notice to the Lender and Lender shall have the right to participate in any settlement, stipulation or agreement to sell or transfer all or any portion of the leasehold estate in lieu of condemnation, and no such settlement, stipulation or agreement shall be made or entered into without Lender's prior written consent, which consent shall be in the Lender's sole and absolute discretion and may be

conditioned upon the satisfaction of such terms and conditions as Lender may prescribe. In the event of such a negotiated sale of all or any portion of the Premises in lieu of condemnation, the sale price shall be determined, and the proceeds allocated and paid, as provided in cases of condemnation as set forth in Sections 8.2 and 8.4 of this Agreement. Lender shall also have the right (but not the obligation) to participate in any settlement, discussion, and/or arbitration proceeding between City and Borrower.

8.4 With respect to any condemnation award, the fair market value of the Borrower Portion and the City Portion shall be determined as the date of such condemnation event as follows:

8.4.1. First, by agreement between City and Borrower.

8.4.2. Second, if no agreement as to the fair market value can be reached within ten (10) business days (the "**Valuation Period**"), City and Borrower shall each appoint, by written notice to the other, an appraiser (which appraiser must possess the MAI designation). If either party fails to appoint such appraiser within ten (10) days following the Valuation Period, then the appraiser who is appointed shall select a second appraiser (which appraiser must also possess the MAI designation). Such two appraisers or the appraisers appointed by City and Borrower shall proceed to determine the fair market value of the Real Property and the Improvements, and the respective Borrower Portion and City Portion.

8.4.3. If such two appraisers are unable to agree upon a fair market value, then they shall jointly appoint a third appraiser meeting the required qualifications and the fair market value shall be that amount upon which any two of such three appraisers agree, or if no such agreement is reached, that fair market value which represents the average of the two fair market values determined by such appraisers which are numerically closest to one another, or, if all fair market values are numerically equidistant, the average of all three such fair market values. City and Borrower shall have the responsibility for paying the appraiser who was, or who should have been appointed by such party, and each shall pay one half (1/2) of the costs and expenses of the third appraiser if one is appointed.

8.5 For so long as Lender encumbers the leasehold estate of the Borrower under the Lease, all rights to which Borrower is entitled pursuant to this Section 8 shall be exercised by Lender.

9. No Merger. Without the written consent of Lender, there shall be no merger of the leasehold estate created under the Lease with the fee estate in the Premises by reason of the fact that such leasehold estate may be held directly or indirectly by or for the benefit of any person who owns the fee estate in all or part of the Premises, nor shall there be such a merger by reason of the fact that all or part of the leasehold estate created thereby is conveyed or mortgaged in a mortgage or deed of trust to a person that owns the fee estate in all or part of the Premises, and City shall remain bound by the provisions of this Agreement.

10. Default by Borrower Under Lease.

10.1 For so long as Lender encumbers the leasehold estate of the Borrower under the Lease, if either City or Borrower asserts a claim that the other of them or the holder of the other's interest under the Lease has failed to perform an obligation under the terms of the Lease or is otherwise in default under the Lease in any respect, then the party asserting said claim shall immediately deliver written notice thereof to Lender and the Limited Partners. Such notice (the "**Default Notice**") shall be delivered pursuant to Section 29.11 below. If City is the party making such assertion, then such Default Notice shall not be deemed to be delivered pursuant to the Lease until it has been received by Lender and the Limited Partners. Such Default Notice shall state in **LARGE BOLD TYPE** on the envelope, as well as on the top of the notice:

"LEASE DEFAULT NOTICE REGARDING _____. ACTION IS NECESSARY TO PREVENT LOSS OF YOUR COLLATERAL."

10.2 Notwithstanding anything to the contrary in the Lease, City agrees that in the event that Borrower shall not cure or remedy any failure to perform or other default under the Lease within the curative period provided for such failure or default in the Lease, then Lender shall have the right, at its sole option, to cure, or cause to be cured, for an additional period following the "**Lender Curative Commencement Date**" (as hereinafter defined), such default; it being agreed that Lender shall have sixty (60) days following the Lender Curative Commencement Date in which to cure such default or, if any such failure or default is not curable within sixty (60) days as determined by City in its commercially reasonable judgment, to commence to cure the default (or efforts to exercise remedies to enable it to cure such default) and diligently pursue such cure to completion, and in any such case, City shall accept such cure or remedy when fully completed. Provided no monetary default exists at the time, and Lender is diligently pursuing curing the default and Lender reasonably requires additional time to cure the default as determined by City in its commercially reasonable judgment, then the sixty (60) day period shall be extended so that Lender will have additional time necessary to gain the legal right to enter the Premises and to cure any such outstanding default, provided that such additional time shall not exceed an additional one hundred fifty (150) business days. The commencement of a Foreclosure Event (as defined in Section 10.6 below) shall be deemed the commencement of a cure, so long as Lender thereafter diligently prosecutes the same to completion. City agrees to not exercise any rights that it might otherwise have on account of any failure to perform or default, including, termination of the Lease, commencement of eviction proceedings or acceleration of rent during the foregoing curative periods extended to Lender.

Notwithstanding anything to the contrary in this Agreement or the Lease, the notice and cure rights in Section 10.1 and this Section 10.2, and where expressly provided herein shall be equally applicable to the Limited Partners. Further, any notice and cure period granted to the Limited Partners herein shall run concurrently with the applicable notice and cure period granted to Lender herein. Provided further, the definition of "Lender Curative Commencement Date" shall be equally applicable to the Limited Partners and any and all occurrences of "Lender" shall be read and applied as if substituting the same for "Limited Partners".

As used herein, "**Lender Curative Commencement Date**" shall mean (a) in the case of defaults for which a curative period is provided under the Lease, the lapse of Borrower's curative period; or (b) in the case of defaults for which no curative period is provided under the Lease, the

date of Lender's receipt of a Default Notice. Lender may cure any monetary default under the Lease by payment of the rent or other payment then overdue at the pre-default rental or other applicable rate, and City will not require Lender to pay any accelerated or future rents or other overdue payment in curing such a payment default and will accept such payment as full satisfaction and cure of the outstanding default with respect to the payment of rent or other overdue payment. Any additional rent due for failure to make any payment under the Lease when due, as provided in Section 3.10 of the Lease, shall be treated as unpaid rent under, and paid in accordance with, Section 3.5 of the Lease.

10.3 Notwithstanding anything to the contrary in this Agreement or in the Lease, whether before or after default, Lender, any Lender Affiliate or the Limited Partners may do any act or thing required of Borrower under the Lease, and any such act or thing done and performed by Lender, such Lender Affiliate or the Limited Partners shall be as effective to prevent a forfeiture of Borrower's rights under the Lease as if done by the Borrower itself. Subject to compliance with the applicable terms of the Lease, City and Borrower hereby agree that Lender, any Lender Affiliate and the Limited Partners shall have the same right as Borrower to enter the Premises for the express purpose of keeping, observing, or performing such terms or to cure a default of Borrower.

10.4 So long as Lender, any Lender Affiliate or the Limited Partners are prevented by any process or injunction issued by any court or by any statutory stay, or by reason of any action by any court having jurisdiction of any bankruptcy or insolvency proceeding involving Borrower, from commencing or prosecuting foreclosure or other appropriate proceedings in the nature thereof, Lender, such Lender Affiliate and/or the Limited Partners, as applicable, shall not be deemed for that reason to have failed to take or diligently prosecute the proceedings necessary to gain the legal right to enter the Premises or to cure the non-monetary default, provided that Lender, such Lender Affiliate and/or the Limited Partners, as applicable, use reasonable efforts to contest and appeal the issuance or continuance of any such process, stay or injunction. City agrees that the time permitted Lender, such Lender Affiliate and the Limited Partners to cure defaults shall include and shall be extended by any period in which Lender, such Lender Affiliate and/or the Limited Partners, as applicable, is legally prevented or restricted from exercising its rights and remedies and from curing under the Deed of Trust or other Loan Documents by reason of any of the foregoing.

10.5 Notwithstanding anything to the contrary in this Agreement or the Lease, City shall have no right to assume the obligations of the Borrower under the Deed of Trust and the other Loan Documents without the prior written consent of Lender, which consent may be given, conditioned or withheld in Lender's sole discretion in accordance with the Deed of Trust and the other Loan Documents.

10.6 If a Lender, any Lender Affiliate, any Qualified Regulated Financial Institution, or any other transferee acquires the Lease pursuant to foreclosure of the Deed of Trust, deed or assignment in lieu of foreclosure or other exercise of Lender's remedies under the Loan Documents (each, a "**Foreclosure Event**"), such transfer is called herein a "**Foreclosure Transfer**." Subject to the condition regarding additional financial consideration to Lender and all notice requirements as stated below, Lender, any Lender Affiliate, any Qualified Regulated

Financial Institution, or any other transferee acquiring the leasehold estate as lessee under the Lease pursuant to a Foreclosure Event, will not be deemed to be an assignment under Section 4.3 of the Lease, or a sale, and shall not require any City consent, transferee agreement, transferee criteria and requirements, opinion requirements, assumption fees, transfer fees, penalties and the like set forth in the Lease except as set forth in this Agreement; however, Lender shall notify City of the event of any such Foreclosure Transfer.

Upon any Foreclosure Event and resulting Foreclosure Transfer, City will recognize Lender, any Lender Affiliate, any Qualified Regulated Financial Institution, and any other person or entity acquiring the Lease, on the same terms and provisions and with all of the rights and privileges of Borrower, provided that the foregoing agrees to assume and be bound by all of the terms, covenants and conditions of the Lease as may be provided herein, subject to the provisions of this Agreement.

Notwithstanding the foregoing, if the transferee in a Foreclosure Transfer is any person other than Lender, a Lender Affiliate or a Qualified Regulated Financial Institution, then Lender or such person shall give City notice and identifying information pursuant to City's Charter Section 225, and City reserves the right, prior to consent to any such transferee, to determine whether such transferee has a favorable business reputation and is financially capable and qualified to conduct the business for which the Lease was granted, in City's reasonable discretion in accordance with City's Charter Section 225 (a "**City-approved transferee**"). For purposes of this determination, the following shall apply: (i) "a favorable business reputation" shall mean a reputation determined by City on a non-discriminatory basis to be consistent with the public trust in which the Premises is held, including without limitation the absence of a reputation for dishonesty, criminal conduct, or association with criminal elements; and (ii) the determination as to whether a person is "financially capable and qualified to conduct the business for which the Lease was granted" shall be evidenced by a net worth of not less than $5,000,000 and liquid assets of not less than $1,000,000 following the transfer, the proposed transferee's credit history and experience (which experience may be evidenced by the management ability of the proposed transferee, the proposed transferee's principal or a third-party professional property manager) (collectively, the "**Charter Criteria**"). Notwithstanding any provision to the contrary in the Lease or this Agreement, after City's receipt of notice and identifying information pursuant to City's Charter Section 225 of each such proposed transferee, and the aforementioned evidence for use in City's determination of (i) "a favorable business reputation" and (ii) "financially capable and qualified to conduct the business for which the Lease was granted" of said proposed transferee, City shall have ten (10) business days to provide written notice to Lender or such other person (in accordance with the provisions of Section 29.11) of its rejection of such proposed transferee, and for each proposed transferee for which City does not consent, City's notice shall provide an explanation of the reasons for the same. Failure by City to timely provide such written notice of rejection shall be deemed an acceptance by the City of said proposed transferee.

On condition that said Foreclosure Transfer does not result in Lender receiving additional financial consideration in excess of the amounts outstanding under the Loan Documents at the time of such Foreclosure Transfer and any costs and expenses incurred in connection with such foreclosure and Foreclosure Transfer, City shall not be entitled to any

additional compensation or rent or any change to any Lease terms, including, without limitation, any economic terms, in connection with any Foreclosure Transfer of the Lease, or any directly related subsequent transfer by Lender, any Lender Affiliate, any Qualified Regulated Financial Institution following a Foreclosure Event.

10.7 If Lender, any Lender Affiliate, Qualified Regulated Financial Institution or any City-approved designee of Lender (as defined in Section 11.1 below) or any City-approved transferee has acquired the Lease pursuant to a Foreclosure Transfer, and is diligently curing those non-monetary defaults that are not personal to Borrower (or any prior owner of the leasehold interest created under the Lease) and that are reasonably susceptible to being cured, then the default(s) by Borrower shall be deemed cured, and City shall not terminate the Lease due to such default. A Foreclosure Event shall not (in and of itself) constitute a default by Borrower under the Lease, and Lender, any Lender Affiliate, any Qualified Regulated Financial Institution, any City-approved designee of Lender, and any other City-approved transferee of the leasehold estate shall be entitled to all the benefits of the Lease. City agrees to execute such documents as may be reasonably necessary to evidence such transferee's rights as lessee under the Lease.

11. Premature Termination. If the Lease is terminated prior to its stated expiration as a result of any actual or deemed rejection of the Lease under any provisions of Title 11 of the U.S. Code, a Foreclosure Event or by operation of law or otherwise (except with Lender's consent or because of a substantial condemnation), even if Lender or the Limited Partners failed to timely exercise their cure rights, then City will give written notice to Lender of such termination (the "**Termination Notice**") and Lender, any Lender Affiliate, any Qualified Regulated Financial Institution, or other City-approved designee of Lender shall have the option, to obtain a new lease from City upon the following terms and conditions:

11.1 Upon written request received within ninety (90) days after service of the Termination Notice, City shall enter into a new lease (the "**New Lease**") with Lender, any Lender Affiliate, any Qualified Regulated Financial Institution or any City-approved designee of Lender, in accordance with Section 11.2 below; provided, however, that, in the case of Lender's designee other than a Lender Affiliate or a Qualified Regulated Financial Institution, Lender's designee shall have a favorable business reputation and shall be financially capable and qualified to conduct the business for which the Lease was granted, as determined by City in City's reasonable discretion prior to consent to any such designee in accordance with City's Charter Section 225 and the Charter Criteria set forth in Section 10.6 of this Agreement (a "**City-approved designee of Lender**"). Notwithstanding any provision to the contrary in the Lease or this Agreement, after City's receipt of notice and identifying information pursuant to City's Charter Section 225 of each such proposed designee, and the aforementioned evidence for use in City's determination of (i) "a favorable business reputation" and (ii) "financially capable and qualified to conduct the business for which the Lease was granted" of said proposed transferee, City shall have ten (10) business days to provide written notice to Lender or such other person (in accordance with the provisions of Section 29.11) of its rejection of such proposed designee, and for each proposed designee for which City does not consent, City's notice shall provide an explanation of the reasons for the same. Failure by City to timely provide such written notice of rejection shall be deemed an acceptance by the City of said proposed designee of Lender. Upon

timely notice of exercise of such right to enter into a New Lease, City and the new lessee shall enter into the New Lease within thirty (30) days thereafter, subject to a reasonable extension of time as agreed to by the City and Lender, any Lender Affiliate, any Qualified Regulated Financial Institution or any City-approved designee of Lender, as applicable.

11.2 The New Lease shall be effective as of the date of termination of the Lease and shall be for the remainder of the term of the Lease (including rights to all extension or renewal options, if any, that have not been exercised) and at the same rent and other charges therein provided and otherwise upon the same agreements, terms, covenants and conditions contained therein (except requirements that are no longer applicable or that were performed previously) and herein, for the same relative priority in time and right as the Lease and having the benefit of, and vesting in the new lessee, all of the same rights, title, interest, powers and privileges of Borrower thereunder and hereunder. Further, from the date the Lease terminates until the parties execute and deliver the New Lease, City shall not: (a) operate the Premises in an unreasonable manner; (b) terminate any sublease(s) except for a default thereunder beyond all applicable notice and cure periods; or (c) lease any of the Premises except to new lessee. Concurrently with the execution of the New Lease, City shall assign its interest in and to all subleases, if any, new subleases (including any security deposits held by City, if any), service contracts, and premises operations related to the Premises, and any offset rights which Borrower was entitled to under the Lease prior to the termination thereof shall automatically be transferred to new lessee and City shall cause any mortgagee on the fee estate to subordinate unconditionally to the New Lease. The City shall be liable for all operating expenses and other costs of operating and maintaining the Premises during the period of time commencing on the termination of the Lease and terminating on the commencement of the New Lease. Notwithstanding the foregoing, City is not waiving any rights City may have to recover such expenses and costs from the prior tenant.

11.3 If City is prohibited by state or federal law from entering into a New Lease with the same terms and conditions as the Lease, then City shall enter into a New Lease with Lender, Lender Affiliate, Qualified Regulated Financial Institution or City-approved designee of Lender that shall contain all of the terms and conditions of the Lease that are not prohibited by such state or federal law.

11.4 In connection with any such New Lease, City shall, by grant deed, convey for the term of the New Lease to Lender, any Lender Affiliate, any Qualified Regulated Financial Institute or City-approved designee of Lender title to all buildings, structures and the improvements, trade fixtures, installations or additions to the Premises, if any, which become vested in City as a result of termination of the Lease.

12. Conditions to Subsequent Encumbrances. City shall permit encumbrances of the Lease for the purpose of refinancing an existing loan, provided that the lender is a Lender Affiliate or a "Qualified Regulated Financial Institution," as defined below. City further agrees that upon any Foreclosure Transfer and resulting transfer of the leasehold estate, or any directly related subsequent transfer of the leasehold estate by Lender, any Lender Affiliate, any Qualified Regulated Financial Institution or any City-approved designee of Lender following a Foreclosure Event, Lender, any Lender Affiliate, any Qualified Regulated Financial Institution, any City-

approved designee of Lender or any City-approved transferee, shall have the right to encumber the leasehold estate with a mortgage or deed of trust on the same terms and conditions, and with the same first lien priority as the Deed of Trust. City shall not be entitled to any additional rent, any amount under Section 4.3.3 of the Lease or any change to Lease terms, including without limitation any economic terms, in connection with such financing; provided that, in the event the principal amount of such financing is greater than the then-outstanding indebtedness plus amounts otherwise due to Lender under the Loan Documents (including all past due interest and other fees and costs), City may be entitled to collect a 2% transfer fee on such greater amount pursuant to Section 4.3.3 of the Lease. The term "**Qualified Regulated Financial Institution**" means:

(a) an insurance company subject to regulation by the insurance commissioner (or similar agency) of any state of the United States; a bank, savings bank, or savings and loan association chartered by the United States of America, any state thereof or any foreign nation or political subdivision thereof; or the Federal Home Loan Mortgage Corporation; or Fannie Mae; or a pension or retirement fund operated for the employees and former employees of, and regulated and controlled by, the United States of America or any state thereof or any agency of the United States or any state thereof; or an investment fund or other institution with substantial experience in financial markets (including but not limited to national brokerage companies) having assets equal to the greater of One Hundred Million Dollars ($100,000,000) or three (3) times the amount of the loan or portion thereof held by such lender; or a special purpose entity established by one of the foregoing; or any affiliate, subsidiary or nominee of any of the foregoing; in each case, in good standing under the laws of the jurisdiction of its incorporation; or

(b) the United States of America, or any state thereof, or any agency of the United States or any state thereof.

In each of the foregoing cases, such entity shall constitute a Qualified Regulated Financial Institution regardless of whether it holds the loan, or any interest therein, for itself or as a trustee.

13. Subleases. Upon any termination of the Lease pursuant to Section 11 above, or any situation in which the Borrower is in default, so long as Lender is acting to preserve the leasehold estate pursuant to its rights under this Agreement, the Deed of Trust and the Lease, City shall not disturb the possession of any sublessee of the Premises so long as such sublessee is not in default under its sublease, which is subordinate to the Lease.

14. Assignment of Lease by Lender.

14.1 Notwithstanding anything to the contrary in the Lease, if Lender, any Lender Affiliate, any Qualified Regulated Financial Institution or City-approved designee of Lender acquires any leasehold estate in the Premises (whether pursuant to a Foreclosure Transfer or under any New Lease executed pursuant to Sections 10 or 11 above), and Lender, or such Lender Affiliate, Qualified Regulated Financial Institution or City-approved designee of Lender thereafter desires to transfer its title to such leasehold estate, then any such transfer by Lender,

Lender Affiliate, Qualified Regulated Financial Institution or City-approved designee of Lender, will not be deemed to be an assignment under Section 4.3 of the Lease, and shall not require City's consent; however, Lender shall notify City of the event of any such transfer. However, if the transferee is any person other than Lender, a Lender Affiliate, or a Qualified Regulated Financial Institution, then City shall approve the transfer to such transferee, if (a) the transferee expressly assumes all obligations of the Borrower under the Lease arising after such transfer, and (b) the transferee has a favorable business reputation and is financially capable and qualified to conduct the business for which the Lease was granted, in City's reasonable discretion in accordance with City's Charter Section 225, and the Charter Criteria set forth in Section 10.6 of this Agreement. Notwithstanding any provision to the contrary in the Lease or this Agreement, after City's receipt of notice and identifying information pursuant to City's Charter Section 225 of each such proposed transferee, and the aforementioned evidence for use in City's determination of (i) "a favorable business reputation" and (ii) "financially capable and qualified to conduct the business for which the Lease was granted" of said proposed transferee, City shall have ten (10) business days to provide written notice to Lender or such other person (in accordance with the provisions of Section 29.11) of its rejection of such proposed transferee, and for each proposed transferee for which City does not consent, City's notice shall provide an explanation of the reasons for the same. Failure by City to timely provide such written notice of rejection shall be deemed an acceptance by the City of said proposed transferee.

Such transfer will not be deemed to be an assignment under Section 4.3 of the Lease and shall not require any other consent. On condition that said transfer does not result in Lender or Borrower receiving additional financial consideration in excess of the amounts outstanding under the Loan Documents at the time of Foreclosure Transfer or New Lease, as applicable, plus any costs and expenses incurred in connection with any Foreclosure Transfer, New Lease and/or such transfer, City shall not be entitled to any additional compensation (including but not limited to under Section 4.3.3 of the Lease) or rent or any change to any Lease terms, including, without limitation, any economic terms, in connection with any such transfer.

14.2 For proposed transferees that are companies whose shares are traded on a public exchange or that are subject to state or federal oversight (for example, but without limitation, a bank or other financial institution), such approval by City shall be of the company or institution as an entity and there shall be no obligation to disclose the names of the shareholders or other equity holders and the City shall not have the right to approve the identity of the shareholders or other equity holders in such company other than with respect to (i) those shareholders owning more than 5% of a class of equity securities in such company, as disclosed in such company's U.S. Securities and Exchange Form 10-K filing or (ii) those persons or entities owning more than 5% of a class of equity securities or equity interests in such proposed transferee subject to state or federal oversight but which is not a public company. "**Assignment**" shall not include any sale, assignment, hypothecation or other transfer of equity interests in a company whose shares are traded on a public exchange.

14.3 Such City-approved transferee thereafter shall be entitled to operate the project on the Premises, in accordance with and as contemplated by the Lease.

15. Assignment of Loan. Lender may assign all or any interest in the Loan and the

Loan Documents to any Lender Affiliate, any Qualified Regulated Financial Institution, or a Lender designee without the consent of City, provided Lender gives City 30-days prior notice thereof and provided further, however, that, in the case of Lender's designee other than a Lender Affiliate or a Qualified Regulated Financial Institution, Lender's designee shall have a favorable business reputation and is financially capable and shall be qualified to conduct the business for which the Lease was granted, as determined by City in City's reasonable discretion prior to consent to any such designee in accordance with City's Charter Section 225, and the Charter Criteria set forth in Section 10.6 of this Agreement. Notwithstanding any provision to the contrary in the Lease or this Agreement, after City's receipt of notice and identifying information pursuant to City's Charter Section 225 of each such proposed transferee, and the aforementioned evidence for use in City's determination of (i) "a favorable business reputation" and (ii) "financially capable and qualified to conduct the business for which the Lease was granted" of said proposed transferee, City shall have ten (10) business days to provide written notice to Lender or such other person (in accordance with the provisions of Section 29.11) of its rejection of such proposed transferee, and for each proposed transferee for which City does not consent, City's notice shall provide an explanation of the reasons for the same. Failure by City to timely provide such written notice of rejection shall be deemed an acceptance by the City of said proposed transferee. On condition that said assignment does not result in Lender or Borrower receiving additional financial consideration in excess of the amounts outstanding under the Loan Documents at the time of such transfer and any costs and expenses incurred in connection with such assignment, City shall not be entitled to any payment or to change any terms or conditions of the Lease in connection with any such assignment.

16. Restoration. Notwithstanding any contrary provision in the Lease, Borrower shall have no obligation to restore or repair the Premises following the occurrence of any casualty for which insurance is not required under the Lease. Notwithstanding the foregoing, City acknowledges that the lien of Lender's Deed of Trust attaches to the insurance proceeds described in the Lease and notwithstanding the provisions of the Lease or this Agreement to the contrary, if any, Lender may require that such insurance proceeds be applied to reduce the unpaid balance of Borrower's obligations to Lender under the Deed of Trust and the other Loan Documents if the combination of insurance proceeds and other proceeds readily available to Borrower for restoration are insufficient to complete such restoration as required by the Lease and this Agreement, or if Lender determines that its Deed of Trust would be impaired by using such proceeds for restoration of the Improvements. City agrees that neither Lender nor any Lender Affiliate, Qualified Regulated Financial Institution, City-approved designee of Lender or City-approved transferee acquiring all or a portion of the leasehold estate pursuant to a Foreclosure Event, upon an exercise of its cure rights pursuant to this Agreement, nor the new lessee under a New Lease pursuant to Section 11.1 hereof, nor any successive owner of a portion of the leasehold estate after such foreclosure or New Lease shall have any obligation hereunder or under the Lease to restore or repair damage to the Premises that cost in excess of available insurance proceeds or the casualty was not required to be insured pursuant to the Lease.

17. Limitation on Liability. Notwithstanding anything to the contrary in this Agreement, in no event shall Lender, any Lender Affiliate, any Qualified Regulated Financial Institution, any City-approved designee of Lender or any City-approved transferee acquiring the leasehold estate as lessee under the Lease pursuant to a Foreclosure Event become personally

liable for the performance of any obligations of Borrower under the Lease pursuant to a Foreclosure Transfer or the New Lease provisions of this Agreement, it being agreed that (i) Lender's commencement of any Foreclosure Transfer or any efforts to cure any default under the Lease shall be for its own protection and shall not by itself constitute an assumption of the Lease nor obligate Lender to complete any such proceedings or cure, (ii) upon completion of any Foreclosure Transfer, the liability of Lender, any Lender Affiliate, any Qualified Regulated Financial Institution, any City-approved designee of Lender or any City-approved transferee acquiring the leasehold estate as lessee under the Lease pursuant to a Foreclosure Event, under any assumption of the Lease or entering into a New Lease shall not extend to any default that occurred before such entity or person took title to the Lease (or a New Lease, as applicable) or extend to any third party for any liabilities or obligations of the Borrower arising before such entity or person took title to the Lease (or a New Lease, as applicable) except as agreed in the New Lease; and (iii) in the event Lender, any Lender Affiliate, any Qualified Regulated Financial Institution, any City-approved designee of Lender or any City-approved transferee shall have acquired the leasehold estate, any such person or entity shall be personally liable to perform only those obligations imposed on Borrower under the Lease commencing as of the date of the acquisition of the leasehold estate and on any subsequent assignment of the Lease to Lender, any Lender Affiliate, any Qualified Regulated Financial Institution or any such City-approved designee of Lender, shall be released from any further liability under the Lease accruing after the date of such assignment. An interest in a deed of trust securing any unpaid part of the purchase price for the Lease shall not be considered retention of an interest in the Lease for purposes of this subsection.

Notwithstanding any to the contrary contained in this Agreement, all violations, defaults and breaches under the Lease relating to Borrower or personal to Borrower, including but not limited to those violations, defaults and breaches set forth below, shall be deemed personal obligations of Borrower and shall automatically be deemed cured on transfer of the leasehold estate pursuant to the any Foreclosure Event, or upon the creation of a New Lease:

17.1.1. Any failure by Borrower or any prior tenant to make a disclosure of a hazardous substance release as required by the California Health and Safety Code, the Lease or otherwise;

17.1.2. Any default in the payment of rent, any default under any provision restricting transfers, encumbrances or similar matters, and any default resulting from a default under any other document, instrument or agreement;

17.1.3. Any breach of any representation or warranty given by Borrower or any prior tenant;

17.1.4. Any other defaults personal to Borrower or any prior tenant and/or not otherwise reasonably curable by Lender (or each subsequent transferee);

17.1.5. Attachment, execution or other judicial levy upon the Lease or the leasehold estate hereby created (provided such attachment, execution or levy either (i) was commenced or occurred at the direction or request of the Lender (or subsequent

transferee) in question), or (ii) would be subject and subordinate to the Deed of Trust in question);

17.1.6. Assignment of the Lease or the leasehold estate created under the Lease for the direct or indirect benefit of creditors of Borrower or any prior tenant (provided such assignment, as a matter of law or contract) is or was subject to the Deed of Trust in question);

17.1.7. Judicial appointment of a receiver or similar officer to take possession of property of any prior tenant (other than the leased Premises); and

17.1.8. Filing any petition by, for or against Borrower or any prior tenant (or any affiliate) under any chapter of the federal Bankruptcy Act or any federal or state debtor relief statute, as amended.

Lender, any Lender Affiliate, any Qualified Regulated Financial Institution (as defined in Section 12 of this Agreement), any City-approved designee of Lender or any City-approved transferee acquiring the leasehold estate as lessee under the Lease pursuant to a Foreclosure Event, or any directly related subsequent transfer by Lender, any Lender Affiliate, or any Qualified Regulated Financial Institution following a Foreclosure Event, shall be entitled to the New Lease as described in Section 11.1 without incurring or assuming any liability or obligation of, or claim against, Borrower under the Lease. Nothing in this section shall be deemed a waiver of any claim by City against Borrower under the Lease. Lender, any Lender Affiliate, any Qualified Regulated Financial Institution or any City-approved designee of Lender shall be automatically released from any liability for the obligations of Borrower under the Lease upon the transfer of title to the Lease.

18. Priority. If City encumbers its fee interest in the Premises, then Borrower shall not be required to subordinate the Lease, and any extensions, renewals or replacements thereof, or any sublease entered into by Borrower as sublessor, and any Deed of Trust or other encumbrance recorded by Lender to any mortgages, deeds of trust or similar encumbrances placed by City on the Premises or to any lien right or other right, title or interest, if any, of City in or to the buildings, and any furniture, fixtures, equipment or other personal property of Borrower upon the Premises. All potential future fee mortgagees or other lienholders shall execute, acknowledge and deliver a commercially reasonable nondisturbance agreement for the benefit of Borrower and Lender.

19. Estoppel Certificate. Within thirty (30) calendar days after written request by Borrower, Lender or either Limited Partner, City shall execute and deliver to Lender and the Limited Partners a statement (as executed, together with any amendments thereto and renewals and replacements therefor) satisfactory to the requesting party, containing in substantial substance the following assurances or undertakings, or such additional provisions as may be mutually acceptable to the requesting party and City certifying as follows:

19.1 That, as of the date of the statement, the Lease (or New Lease) is valid and in full force and effect (subject to any then exception reasonably justified), and has not been

altered, amended or modified, in any respect whatsoever, other than pursuant to disclosed amendments delivered to Lender and Borrower;

19.2 The last date City received rent under the Lease, the date such rent was due and the amount thereof;

19.3 That (a) no notice of any default by Borrower under the Lease (or the New Lease) has been issued by the City other than with respect to the defaults that have been cured or waived by the City and (b) there are not any events of default under the Lease (or whether there is or has been any event, act or omission on the part of City or Borrower, which would constitute an event of default with notice or lapse of time or both) to the best of City's knowledge as of the date of the certificate, and if Borrower shall be in default, specifying each such default of which City may have knowledge and such other information as may be reasonably requested by Borrower or Lender;

19.4 Acknowledging Lender and receipt of Lender's name and address for purpose of notices to be given and received pursuant to the provisions of the Lease and this Agreement;

19.5 That Lender may exercise against City all of Lender's rights in the Lease (or the New Lease) and this Agreement;

19.6 Confirming the commencement and termination dates of the Lease (or the New Lease), the amount of Base Rent, Supplemental Rent and other payments, if any, currently payable by Borrower and the date through which such payments have been made, whether any options to renew or extend the Lease (or the New Lease) or to purchase the City's interests in the Premises have been exercised or have lapsed and other factual matters or assurances as reasonably requested; and

19.7 That City understands the recipient will rely on the certificate.

In addition, in the event that there is any transfer of City's interests in the Premises, in connection with the execution of all documents required in connection therewith, City will cause any such transferee to provide such estoppel certificate as set forth herein and acknowledge the rights of Lender pursuant to this Agreement. It is intended that any such estoppel certificate may be relied upon by any persons or entities proposing to acquire the interest of City, or Borrower, as the case may be, in the Lease or by any prospective Lender or permitted assigned of any Lender.

20. No Automatic Rejection of the Lease. Subject to the terms of the Lease and this Agreement, unless Lender otherwise consents in writing, City hereby waives, and agrees not to assert or otherwise take the benefit of, Section 365(d) for or any other applicable provisions of the United States Bankruptcy Code (11 U.S.C. §101 et seq.), which may cause the termination of the Lease, or otherwise render it unenforceable in accordance with its terms, whether automatically by operation of law, or otherwise (so long as Borrower or Lender is (a) complying with the terms of Lease to the extent reasonably possible (other than payment of rent) prior to

possession of the Premises by Lender, and (b) exercising its rights to cure any default as provided for in the Lease and this Agreement). If the Lease is rejected in connection with a bankruptcy proceeding by Borrower, a trustee in a bankruptcy or such other party to such proceeding on behalf of Borrower, as applicable, such rejection shall be deemed an assignment by such persons or entities to Lender of the leasehold estate and all of Borrower's right, title and interest in and to the Lease and neither the leasehold estate nor the Lease shall terminate or be cancelled. Lender shall have all of the right, title and interest of the Borrower as if such bankruptcy proceeding has not occurred, unless Lender shall reject such deemed assignment by notice in writing to City within thirty (30) days following rejection of the Lease by Borrower, the trustee in bankruptcy or such other party to such proceeding, as applicable. If any court of competent jurisdiction shall determine that, notwithstanding the terms of the preceding sentences, the Lease shall have been terminated as a result of a rejection by Borrower, the trustee in the bankruptcy or such other party to such proceeding, as applicable, City shall, on Lender's written election, promptly enter into the New Lease pursuant to the terms and conditions of Section 11 of this Agreement notwithstanding the foregoing, it being the intention of the parties to preserve the Lease and the leasehold estate created by the Lease for the benefit of Lender without interruption, and accordingly, the rights of new lessee under Section 11 of this Agreement shall not be affected thereby.

21. Insurance. All requirements pertaining to insurance under the Lease (including requirements relating to amounts and types of coverages, deductibles and special endorsements) shall be deemed satisfied if Borrower complies with the insurance requirements under the Loan Documents. All original policies or duplicate original policies of insurance required pursuant to the Deed of Trust and related Loan Documents shall be held by the Lender. City shall be named as an additional insured as required under the Lease and nothing shall preclude City from being named as a loss payee, as its interest may appear, under all policies of insurance maintained by Borrower with respect to the Premises, provided such action does not affect the priority of payment of loss proceeds, or that the Lender be named as an additional insured under all policies of insurance maintained by Borrower with respect to the Premises. City shall not procure separate insurance concurrent in form or contributing in the event of a loss that specifically is required to be furnished by Borrower to the Lender. City may at its own expense, however, take out separate insurance which is not concurrent in form or contributing in the event of loss with that specifically required to be furnished by Borrower to Lender.

22. Improvements and Personal Property.

22.1 Ownership of Improvements. The following is hereby added to the end of the initial paragraph of Section 9.6 of the Lease: "From the Commencement Date through the expiration of the term of the Lease or the sooner termination of this Lease, LESSEE shall be sole owner of the Improvements for federal income tax purposes, and all alterations, additions, or betterments made thereto. It is the purpose and intent of LESSOR and LESSEE that LESSEE shall be accorded all the benefits and burdens of ownership of the Improvements throughout the term of the Lease. Accordingly, at all times during the term of the Lease, LESSEE shall be deemed to exclusively own the Improvements for federal and state and local tax purposes, and LESSEE alone shall be entitled to all of the tax attributes of ownership thereof, including, without limitation, the

right to claim depreciation or cost recovery deductions, the right to claim federal low income housing tax credits available to the LESSEE under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"), with respect to the Improvements, and the right amortize capital costs and to claim any other federal or state or local tax benefits attributable to the Improvements. LESSOR and LESSEE shall each report this transaction consistent with the provisions of this Section 22.1 on any federal, state or local tax return filed by each."

22.2 Personal Property. Notwithstanding anything to the contrary in the Lease, City agrees that all personal property now or hereafter on the Premises in which Lender now or hereafter has a security interest is severable and may be removed without further consent from City if Borrower defaults under the Loan Documents or the Lease.

23. Transfers of Ownership Interest in Borrower. Notwithstanding anything to the contrary contained in the Lease or this Agreement, including without limitation Section 4.3 of the Lease, City's review and consent shall not be required for the transfer of the General Partner's interest in Borrower or for the transfer of any ownership interest in such General Partner so long as each such transfer is to a Permitted Transferee (hereinafter defined); provided that Borrower shall notify City of any such transfer. Further, any additional consideration, including without limitation the 2% payment set forth in Section 4.3.3 of the Lease shall not apply to any such transfer to a Permitted Transferee. For the purposes of this Section 23, "Permitted Transferee" shall mean any Limited Partner or any entity controlled by any Limited Partner.

24. Improvements; Cosmetic Alterations. Notwithstanding anything to the contrary contained in the Lease, Borrower may make cosmetic alterations or improvements (the "**Cosmetic Alterations**"), without City's consent, so long as the Cosmetic Alterations: (i) do not adversely affect weight-bearing elements, structural elements or other building elements of the Property, (ii) the Cosmetic Alterations per project does not exceed an estimated construction cost of One Hundred Thousand Dollars ($100,000.00), (iii) Borrower gives City at least five (5) business days prior written notice of the Cosmetic Alterations prior to commencement of construction of the Cosmetic Alterations, (iv) prior to making any Cosmetic Alterations, Borrower shall apply for and obtain, any and all permits or licenses required by applicable governmental authorities which are necessary or desirable for Borrower to construct and install the same, and (v) all other provisions of the Lease apply to the construction of the Cosmetic Alterations.

25. Bankruptcy of City. In the event that the City shall become subject to any bankruptcy or insolvency proceeding, any rights, elections, or actions available to Borrower therein shall be subject to the rights of Lender under the Deed of Trust and the other Loan Documents to consent to, or to exercise on behalf of Borrower, such rights, elections, or actions. Without limiting the foregoing, no consent or acquiescence by Borrower to any rejection of the Lease by City or any successor or trustee in such proceeding shall be binding or effective without the prior, written consent thereto by Lender, and the rights, liens, and claims of Lender shall extend to, encumber, and include all rights to damages for any such rejection and all rights to continued possession of the Premises.

26. Rent. Notwithstanding anything to the contrary contained in the Lease, for so long as the Leasehold Estate is subject to the Deed of Trust held by Lender, Borrower shall not be obligated to pay more than seventy-five percent (75%) of Net Residential Operating Cash Flow in any Lease Year for current or accrued but unpaid residential rent due under Sections 3.4 or 3.5 of the Lease. Upon any Foreclosure Event and resulting Foreclosure Transfer, all accrued but unpaid rent from prior Lease Years and interest thereon, together with any rent for the Lease Year in which a Foreclosure Event occurs that remains unpaid, for any reason, shall be deemed automatically waived and Borrower shall have no further obligation with respect thereto.

27. Premises; Allowed Uses.

27.1. Multi-service Center with Support Facilities. Notwithstanding anything to the contrary contained in the Lease, City agrees that Borrower shall not be required to provide assistance and support services in the multi-service center in an amount exceeding $30,000 dollars annually, such amount increasing by three percent (3%) every three years beginning January 1, 2018.

27.2. Reservation of Rights. City shall repair or reimburse Borrower for reasonable costs incurred by Borrower to repair any physical damages to Premises or Borrower's personal property caused by City's exercising of its rights reserved in Section 1.9 of the Lease.

27.3. Exclusive Management. Subject to providing "competent management" (as defined in Section 1.10 of the Lease) of the Allowed Uses of the Premises and otherwise complying with all other requirements of the Lease, Borrower shall have exclusive management of the Premises without the consent or approval of City.

28. Payment and Performance Bonds. Lender shall have approval, consent and oversight rights in connection with any payment and performance bonds (or a letter of credit in lieu of such bonds) relating to the Rehabilitation or any future construction of improvements on the Premises, in accordance with the Loan Documents. Any payments under any payment and performance bonds issued jointly to Borrower, Lender and City, if the City is named as an additional obligee thereunder pursuant to the Lease, Borrower and, if applicable, shall be endorsed to the order of Lender, promptly upon Lender's demand, to be applied in accordance with the Loan Documents.

29. Miscellaneous.

29.1 Further Assurances. Each party to this Agreement shall execute and deliver all instruments and documents and take all actions as may be reasonably required or appropriate to carry out the purposes of this Agreement. City and Borrower acknowledge that Lender is relying on the foregoing representations, warranties, covenants and agreements of the undersigned in making the Loan to Borrower as secured by the Deed of Trust and the other Loan Documents, and warrants and affirms to and for the benefit of the Lender that each of those representations is true, correct and complete as of this date. Nothing contained in the Lease shall relieve the Borrower of its obligations and responsibilities under any Deed of Trust to operate the Premises as set forth therein.

29.2 Counterparts and Exhibits. This Agreement may be executed in counterparts, each of which is deemed an original and all of which together constitute one document. All exhibits attached to and referenced in this Agreement are incorporated into this Agreement.

29.3 Time of Essence. Time and strict and punctual performance are of the essence with respect to each provision of this Agreement.

29.4 Attorneys' Fees. The prevailing party(ies) in any litigation, arbitration, mediation, bankruptcy, insolvency or other proceeding ("**Proceeding**") relating to the enforcement or interpretation of this Agreement may recover from the unsuccessful party(ies) all costs, expenses, and reasonable attorneys' fees (including expert witness and other consultants' fees and costs) relating to or arising out of (a) the Proceeding (whether or not the Proceeding proceeds to judgment) and (b) any post-judgment or post-award proceeding including, without limitation, one to enforce or collect any judgment or award resulting from the Proceeding. All such judgments and awards shall contain a specific provision for the recovery of all such subsequently incurred costs, expenses, and reasonable attorneys' fees.

29.5 Modification. This Agreement may be modified only by a contract in writing executed by all the parties to this Agreement.

29.6 Prior Understandings. This Agreement and the Lease: (a) contain the entire and final agreement of the parties to this Agreement with respect to the Lease and all matters relating to the Lease and the subject matter of this Agreement, and (b) supersede all negotiations, stipulations, understandings, agreements, representations and warranties, if any, with respect to such subject matter, which precede or accompany the execution of this Agreement.

29.7 Interpretation. Whenever the context so requires in this Agreement, all words used in the singular may include the plural (and vice versa) and the word "person" includes a natural person, a corporation, a firm, a partnership, a joint venture, a trust, an estate or any other entity. The terms "includes" an "including" do not imply any limitation. No remedy or election under this Agreement is exclusive, but rather, to the extent permitted by applicable law, each such remedy and election is cumulative with all other remedies at law or in equity. The paragraph headings in this Agreement: (a) are included only for convenience, (b) do not in any manner modify or limit any of the provisions of this Agreement, and (c) may not be used in the interpretation of this Agreement. The provisions of this Agreement are intended to supplement the Lease.

29.8 Specific Enforcement. The terms of the Lease and this Agreement may be specifically enforced by City, Borrower, Lender or Third Party Beneficiaries.

29.9 Claims. Notwithstanding any provision to the contrary herein or in the Lease, City and Borrower shall deliver to Lender notice of any litigation or arbitration proceedings between the parties or involving the Premises or the Lease. Lender shall have the

right, at its option, to intervene and become a party to any such proceedings.

29.10 Partial Invalidity. Each provision of this Agreement is valid and enforceable to the fullest extent permitted by law. If any provision of this Agreement (or the application of such provision to any person or circumstance) is or becomes invalid or unenforceable, the remainder of this Agreement, and the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, are not affected by such invalidity or unenforceability.

29.11 Notices. Any notices, consents, approvals, submissions, demands, Demand Notices or other communications (herein individually and collectively referred to as "**Notice**") required or permitted to be given under this Agreement or the Lease shall be in writing. Unless otherwise required by law or governmental regulation, notice is duly given upon (i) delivery by certified mail, return receipt requested, postage prepaid at the address of the party set forth below or such other address as may be designated by notice to the other parties hereto, provided that the sending party receives a confirmation of delivery from the delivery service provider; (ii) delivery by nationally recognized overnight courier service with next-business-day delivery guaranteed, with all charges prepaid, at the address of the party set forth below or such other address as may be designated by notice to the other parties hereto, provided that the sending party receives a confirmation of delivery from the delivery service provider; (iii) hand delivery with same-day or next-business-day delivery guaranteed, with all charges prepaid, at the address of the party set forth below or such other address as may be designated by notice to the other parties hereto, provided that the sending party receives a confirmation of delivery from the delivery service provider; or (iv) when sent by facsimile to the address and number for such party set forth below (provided, however, that Notice is not effective unless a duplicate copy of the facsimile Notice is promptly given by one of the other methods permitted under this paragraph).

If to City:	The City of San Diego Real Estate Assets Department Attention: Director 1200 Third Avenue, Suite 1700 San Diego, California 92101
If to Borrower:	Housing Development Partners of San Diego 1335 Fifth Avenue San Diego, California 92101 Attention: Michael Pavco, Executive Director
If to Limited Partners:	c/o Boston Capital Partners One Boston Place, 21st Floor Boston, Massachusetts 02108 Attention: San Diego Square Asset Management Facsimile: (617) 624-8999

If to Lender:	Citibank, N.A. 390 Greenwich Street, 2nd Floor New York, New York 10013 Attention: Transaction Management Group Deal ID# 22960 Facsimile: (212) 723 8209
And to:	Citibank, N.A. 325 East Hillcrest Drive, Suite 160 Thousand Oaks, California 91360 Attention: Operations Manager/Asset Manager Deal ID# 22960 Facsimile: (805) 557 0924
And with a copy to:	Citibank, N.A. One Sansome Street, 27th Floor San Francisco, California 94104 Attention: Account Specialist Deal ID# 22960 Facsimile: (415) 445-9965
And with a copy to:	Berkadia Commercial Mortgage LLC 118 Welsh Road Horsham, Pennsylvania 19044 Attention: Client Relations Manager Deal ID# 22960 Facsimile: (215) 441-7295
And a copy of a notices of default sent to:	Citibank, N.A. 388 Greenwich Street New York, New York 10013 Attention: General Counsel's Office Deal ID# 22960 Facsimile: (646) 291-5754

Each party shall make a reasonable, good faith effort to ensure that it will accept or receive Notices to it that are given in accordance with this paragraph. A party may change its address for purposes of this paragraph on condition that the other party(ies) are given written notice of the new address and all relevant contact information in the manner set forth above.

29.12 Waiver. Any waiver of a default or provision under this Agreement must be in writing. No such waiver constitutes a waiver of any other default or provision concerning

the same or any other provision of this Agreement. A consent to or approval of an act does not waive or render unnecessary the consent to or approval of any other or subsequent act.

29.13 Drafting Ambiguities. Each party to this Agreement and its legal counsel have reviewed and revised this Agreement. The rule of construction that ambiguities are to be resolved against the drafting party or in favor, of the party receiving a particular benefit under an agreement may not be employed in the interpretation of this Agreement or any amendment to this Agreement.

29.14 Third Party Beneficiaries. Nothing in this Agreement is intended to confer any rights or remedies on any person or entity other than the parties to this Agreement and their respective successors and assigns, unless such rights are expressly granted in this Agreement to another person specifically identified as a "**Third Party Beneficiary**." Lender, any Lender Affiliate, any Qualified Regulated Financial Institution and any other approved individual or entity (approved as required in this Agreement) is an express Third Party Beneficiary of this Agreement and each shall be entitled to enforce the same against City.

29.15. Enforcement not a Breach. No action taken by Lender to enforce its rights under the Deed of Trust or any of the Loan Documents against either City or Borrower or both, including, without limitation, any actions taken to collect any amounts due and owing to Lender any action to appoint a receiver for Lender or to otherwise protect the security of its Loan, shall constitute or result in a breach or violation of the Lease.

29.16. Lease Binding on Successors. The Lease, this Agreement and all of its provisions and attached Exhibits shall inure to the benefit of, and shall be binding upon, City, Borrower, Lender, the Limited Partners, Third Party Beneficiaries, and their legal representatives and permitted successors and assigns.

29.17 Miscellaneous. Lender may: (a) exercise its rights through a Lender Affiliate, assignee, designee, including a nominee, subsidiary, Qualified Regulated Financial Institution or other entity, acting in its own name or in Lender's name (and anyone strictly acting as Lender's agent under this clause "a" shall automatically have the same protections, rights, and limitations of liability as Lender) (b) refrain from curing any default; (c) abandon such cure at any time; or (d) withhold consent or approval for any reason or no reason, except where the Lease or this Agreement states otherwise. Any such consent or approval must be written. To the extent any Lender's or any Third Party Beneficiary's rights under the Lease apply after the Lease terminates, they shall survive such termination.

[The remainder of this page is intentionally left blank.]

29.18 City Approval. This Agreement is intended by the parties to satisfy all conditions in the Lease for City's written approval that is required for any and all proposed assignments, encumbrances, designees, or mortgages regarding the Lease and the Premises in connection with the Loan and the Loan Documents.

THE CITY:

THE CITY OF SAN DIEGO

By: _____
Name: Cybele Thompson
Title: Director, Real Estate Assets

Approved as to form and legality
This 21st day of Nov., 2014

JAN I. GOLDSMITH, CITY ATTORNEY

By: _____
Jeremy Fonseca
Deputy City Attorney

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

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 San Diego)

On Nov. 21, 2014 *Date* before me, Peggy Martinez *Here Insert Name and Title of the Officer*,

personally appeared Cybele Lee Thompson *Name(s) of Signer(s)*,

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.

Signature _____ *Signature of Notary Public*

PEGGY MARTINEZ
Commission # 1915190
Notary Public - California
San Diego County
My Comm. Expires Dec 4, 2014

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document
Title or Type of Document: Addendum, Assignment Document Date: Nov. 1, 2014
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____	Signer's Name: _____
☐ Corporate Officer — Title(s): _____	☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General	☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other: _____	☐ Other: _____
Signer Is Representing: _____	Signer Is Representing: _____

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State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)

Notary Public, personally appeared _____, who provided 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.

Signature_____ (Seal)

LENDER:

CITIBANK, N.A.,
a national banking association

By: _____
Michael Hemmens
Vice President

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)
Notary Public, personally appeared _____, who provided 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.

Signature_____ (Seal)

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)
Notary Public, personally appeared _____, who provided 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.

Signature_____ (Seal)

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)
Notary Public, personally appeared _____, who provided 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.

Signature_____ (Seal)

EXHIBIT A

Legal Description of the Real Property

The Property is situated in the City of San Diego, County of San Diego, State of California, and is described as follows:

EXHIBIT B

The Lease

The "Lease" consists of all of the following documents:

1. City of San Diego Percentage Lease dated effective as of May 24, 2013 and recorded on May 14, 2013, as Document No. RR-308156 in the Office of the City Clerk, San Diego.

2. First Amendment to Percentage Ground Lease dated effective as of April 1, 2014 and filed on _____ as Document No. RR-308899 in the Office of the City Clerk, San Diego.

3. Second Amendment to Percentage Ground Lease dated effective as of November __, 2014 and filed on _____ as Document No. RR-_____ in the Office of the City Clerk, San Diego.

4. This Agreement.

BORROWER:

HDP BROADWAY, L.P.,
a California limited partnership

By: HDP Broadway Management, LLC,
a California limited liability company,
its Managing General Partner

By: Housing Development Partners of San Diego,
a California nonprofit public benefit corporation,
its Managing Member

By: _____
Michael Pavco
Executive Director

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

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 San Diego)

On Nov. 21, 2014 (Date) before me, Peggy Martinez, Notary Public (Here Insert Name and Title of the Officer)

personally appeared Michael Pavco (Name(s) of Signer(s))

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.

PEGGY MARTINEZ
Commission # 1915190
Notary Public - California
San Diego County
My Comm. Expires Dec 4, 2014

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.

Signature _____ (Signature of Notary Public)

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Addendum Assignment Document Date: Nov 1 2014

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____	Signer's Name: _____
☐ Corporate Officer — Title(s): _____	☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General	☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other: _____	☐ Other: _____
Signer Is Representing: _____	Signer Is Representing: _____

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HDPOSD:

HOUSING DEVELOPMENT PARTNERS OF SAN DIEGO, a California nonprofit public benefit corporation

By: _____
Michael Pavco
Executive Director

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

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 San Diego)
On Nov. 21, 2014 before me, Peggy Martinez
Date *Here Insert Name and Title of the Officer*
personally appeared Michael Pavco
Name(s) of Signer(s)

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.

PEGGY MARTINEZ
Commission # 1915190
Notary Public - California
San Diego County
My Comm. Expires Dec 4, 2014

Signature _____
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

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Signer's Name: _____	Signer's Name: _____
☐ Corporate Officer — Title(s): _____	☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General	☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other: _____	☐ Other: _____
Signer Is Representing: _____	Signer Is Representing: _____

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