

not in Anacamp

DOC # 2009-0382364



RECORDING REQUESTED BY
STEWART TITLE OF CALIFORNIA

JUL 13, 2009 8:00 AM

OFFICIAL RECORDS
SAN DIEGO COUNTY RECORDER'S OFFICE
DAVID L. BUTLER, COUNTY RECORDER
FEES: 42.00 WAYS: 3
OC: OC TAX: N.D.

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO AND
MAIL TAX STATEMENT TO:

PAGES: 6

Olivewood Housing Partners, LP
c/o Pacific Housing, Inc.
1801 L Street, Suite 245
Sacramento, CA 95814
Attention: Mark A. Wiese



Chollas Gardens → Olivewood
Pac Housing

APN: 477-440-14
T.O. 2259-17191

(Space Above Line for Recorder's Use Only) 6632

ASSIGNMENT AND ASSUMPTION OF GROUND LEASE
AND GRANT DEED OF IMPROVEMENTS

In accordance with Section 11932 of the California Revenue and Taxation Code, Assignor has declared the amount of Documentary Transfer Tax which is due, if any, by a separate statement which is not being recorded with this Assignment and Assumption of Ground Lease and Grant Deed of Improvements.

FOR VALUE RECEIVED, CHOLLAS GARDENS, LTD., a California limited partnership ("Assignor") with Housing Opportunities, Inc., a California nonprofit public benefit corporation as its managing general partner, hereby assigns to OLIVEWOOD HOUSING PARTNERS, LP, a California limited partnership ("Assignee"), with Pacific Housing, Inc., a California nonprofit public benefit corporation as its managing general partner, its successors and assigns, all of Assignor's right, title and interest as lessee in, to and under the lease described in Schedule 1 hereto (the "Ground Lease") covering that certain land located in the City of San Diego, County of San Diego, State of California, described on Schedule 2 attached hereto and by this reference incorporated herein (the "Land") and further grants to Assignee, all of Assignor's right, title and interest in and to those certain improvements described in Schedule 3 attached hereto (the "Improvements") and located on the Land.

ASSIGNEE HEREBY ACCEPTS the foregoing Assignment and assumes and agrees to perform and observe all of the covenants, conditions and provisions in the Ground Lease to be performed and observed by the lessee thereunder, which arise and relate to the period from and after the effective date hereof. Assignee agrees to indemnify, defend and hold harmless Assignor from any cost, liability, damage or expense (including reasonable attorneys' fees) arising out of or relating to Assignee's failure to perform any of the obligations under the Ground Lease arising on or after the effective date of this Assignment. Assignor agrees to indemnify, defend and hold harmless Assignee from any cost, liability, damage or expense (including reasonable attorneys' fees) arising out of or relating to Assignor's failure to perform any of Assignor's obligations under the Ground Lease arising before the effective date of this Assignment.

This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

This Assignment may be executed in any number of identical counterparts, all or any of which may contain the signatures of fewer than all of the parties, and all of which shall be construed together as a single instrument.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment and Assumption of Ground Lease and Grant Deed of Improvements as of the date first above written.

ASSIGNOR:

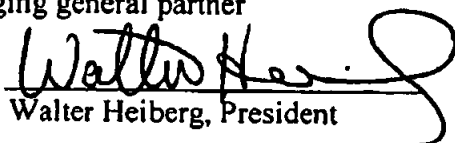
CHOLLAS GARDENS, LTD., a California
limited partnership

ASSIGNEE:

OLIVEWOOD HOUSING PARTNERS, LP, a
California limited partnership

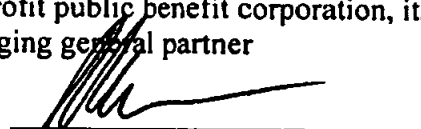
By: Housing Opportunities, Inc., a California
nonprofit public benefit corporation, its
managing general partner

By:


Walter Heiberg, President

By: Pacific Housing, Inc., a California
nonprofit public benefit corporation, its
managing general partner

By:


Mark A. Wiese, President

STATE OF CALIFORNIA

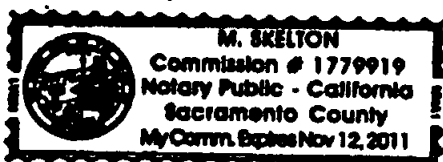
COUNTY OF Sacramento

)
) ss:
)

On December 11, 2008 before me, M. Skelton (here insert name of the officer),
Notary Public, personally appeared Mark A. Wiese, 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 of Notary Public

[Seal]

STATE OF CALIFORNIA

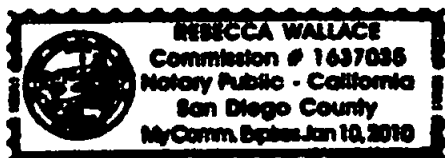
COUNTY OF San Diego

)
) ss:
)

On Dec 12, 2008 before me, Rebecca Wallace (here insert name of the officer),
Notary Public, personally appeared Walter Hieberg, 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 of Notary Public

[Seal]

Schedule 1Ground Lease

That certain unrecorded Lease Agreement dated as of December 11, 1980 between the City of San Diego, a municipal corporation and Chollas Gardens Limited, a California limited partnership with Housing Opportunities, Inc. a California nonprofit public benefit corporation as its managing general partner, a memorandum of which was recorded in the Official Records of San Diego County on December 11, 1980 as Instrument No 80-417288.

Schedule 2Legal Description

All that certain real property located in the City of San Diego, County of San Diego more particularly described as follows:

Parcel 1 of Parcel Map No. 10701, in the City of San Diego, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on November 13, 1980

Schedule 3Improvements

Any structures or improvements now or hereafter erected or situated on the Land, including without limitation, the foundations and footings thereof and any and all fixtures, equipment and machinery of every kind and nature whatsoever now or hereafter affixed or attached thereto, or now or hereafter used or procured for use in connection with the operation, use or occupancy thereof, and all appurtenances thereto, provided same are real property.

not in Anacamp

CITY OF SAN DIEGO

CONSENT TO ASSIGNMENT OF LEASE AGREEMENT

This Consent to Assignment and Assumption of Ground Lease and Grant Deed of Improvements ("Consent") is made as of January 26, 2009, by the City of San Diego ("CITY"), as ("LESSOR") under that certain Ground Lease Agreement ("LEASE"), as further described in Recital B below, entered into with **CHOLLAS GARDENS LTD, a California limited partnership ("LESSEE"/"ASSIGNOR")** with **HOUSING OPPORTUNITIES, INC., a California non-profit public benefit corporation, as its managing general partner.**

CITY hereby consents to the assignment and assumption of the LEASE from ASSIGNOR to

**OLIVEWOOD HOUSING PARTNERS, LP, a California limited partnership
("ASSIGNEE")**

with

**PACIFIC HOUSING, INC., a California non-profit public benefit corporation, as its
managing general partner ("ASSIGNEE's General Partner")**

and

**THE AMERLAND GROUP, LLC, a California limited liability company, as guarantor of
the LEASE, the ASSIGNEE and the ASSIGNEE's obligations under the LEASE
("GUARANTOR")**

with

ISLAS DEVELOPMENT, LLC, a California limited liability company, as its sole manager.

RECITALS

This Consent is made with regard to the following facts:

- A. CITY leases to LESSEE three and one-tenth (3.1) acres of CITY-owned real property located in the City of San Diego, as more particularly described in EXHIBIT "A", Legal Description ("Premises"), which is attached hereto and by this reference made a part hereof. ASSIGNOR owns and operates the improvements commonly known as OLIVEWOOD GARDEN APARTMENTS, located at 2855-85 55TH Street, San Diego, California, 92105 ("Improvements") which are sited on the Premises.
- B. CITY and LESSEE executed the LEASE dated December 11, 1980, a form of which was filed as Document No. RR-252648 in the office of the CITY Clerk on October 20, 1980, with a lease term of fifty-five (55) years. Pursuant to the LEASE, the Premises are to be utilized solely and exclusively for the construction and operation of a 60 unit low income senior citizens residential rental complex with the City to receive income in the event gross income exceeds operating expenses and a six percent (6%) rate of return on the investment of the

limited partners. The LEASE, which commenced on January 1, 1981, will expire on December 31, 2035, unless sooner terminated.

- C. ASSIGNOR desires to assign all of its rights, title, interests, and obligations as LESSEE in and to the LEASE to ASSIGNEE pursuant to that executed Assignment and Assumption of Ground Lease and Grant Deed of Improvements ("Assignment"), a copy of which is attached hereto as EXHIBIT "B" and by this reference made a part hereof, and under condition of guaranty by GUARANTOR pursuant to that executed Guaranty of Lease ("Guaranty"), a copy of which is attached hereto as EXHIBIT "C" and by this reference made a part hereof.
- D. ASSIGNEE expressly agrees to assume all rights and obligations of the LEASE pursuant to the Assignment and GUARANTOR agrees to guaranty ASSIGNEE'S assumption pursuant to the Guaranty.
- E. ASSIGNOR, ASSIGNEE and GUARANTOR desire to obtain LESSOR's consent to the Assignment and LESSOR is willing to consent to the Assignment on the following terms and conditions.

NOW THEREFORE, the parties agree as follows.

- 1 LESSOR's First Right of Refusal and Consent. Pursuant to Paragraph 10., "Right of First Refusal", of the LEASE, LESSOR was granted the first right of refusal to acquire the LEASE or other interest therein should LESSEE intend to sell or assign the LEASE. Further, pursuant to Paragraph 9., "Right to Sell, Assign, Sublet, Refinance or Otherwise Transfer the Lease", of the LEASE, LESSEE may not sell, assign, or otherwise transfer the Lease, or sublet or refinance any part of its interest under the LEASE or in the Premises (as Premises is defined in the Lease), without the prior written consent of LESSOR. For purposes of the instant Assignment which is the subject of this Consent, LESSOR hereby waives its first right to acquire the LEASE or any other interest therein. Additionally, LESSOR hereby consents to the instant Assignment which is the subject of this Consent. Notwithstanding LESSOR's waiver in this instance, said waiver shall not constitute a waiver of LESSOR's rights pursuant to any subsequent subletting or assignment, or to any existing subletting or assignment not approved by LESSOR in writing under the terms of the LEASE, and does not relieve ASSIGNOR, or ASSIGNEE, or GUARANTOR, or any person claiming under or through ASSIGNEE or GUARANTOR, of the obligation to obtain the prior written consent of LESSOR pursuant to said Paragraph 9. of the LEASE, to any future assignment or sublease or constitute a waiver of any rights of LESSOR in the future under said Paragraph 10. of the LEASE, to acquire the LEASE or other interest therein.
- 2 Effective Date. Upon execution by CITY's Mayor or his designee, and approval as to form and legality by CITY's Attorney or his designee, the effective date of this Consent shall be the same as the effective date of the Assignment, which shall be the date of the close of that certain escrow opened pursuant to that certain Purchase and Sale Agreement and Joint Escrow Instructions ("Purchase and Sale and Escrow Agreement") entered into

by ASSIGNOR and ASSIGNEE's General Partner for the purpose of conveying the Improvements from ASSIGNOR to ASSIGNEE's General Partner. The Purchase and Sale and Escrow Agreement shall consequently be assigned by and from ASSIGNEE's General Partner to ASSIGNEE.

- 3 Assumption. ASSIGNEE, and GUARANTOR in the place of ASSIGNEE, expressly assume and agree for the benefit of LESSOR to keep and perform all covenants, conditions and provisions of the LEASE which are applicable to the rights acquired and to be bound by, and to conform and comply with, every obligation of LESSEE under the LEASE. Notwithstanding the Assignment or LESSOR's Consent to the Assignment, ASSIGNOR will remain jointly and severally liable for the payment of rents and for the performance of all other obligations of ASSIGNOR under the Lease from and after the effective date of this Consent.
- 4 Subsequent Assignments; Recapture. This Consent does not constitute a consent to any subsequent subletting or assignment or any existing subletting or assignment not approved by LESSOR in writing under the terms of the LEASE and does not relieve ASSIGNOR or ASSIGNEE or GUARANTOR or any person claiming under or through ASSIGNEE or GUARANTOR of the obligation to obtain the prior written consent of the LESSOR under Paragraph 9., "Right to Sell, Assign, Sublet, Refinance or Otherwise Transfer the Lease", of the LEASE, to any future assignment or sublease.
- 5 Default Under the LEASE. In the event of any default of ASSIGNEE, or GUARANTOR in place of the ASSIGNEE, under the LEASE, LESSOR may proceed directly against GUARANTOR, ASSIGNEE, ASSIGNOR, any other guarantors, or anyone else liable under the LEASE without first exhausting LESSOR's remedies against any other person or entity liable under the LEASE to LESSOR.
- 6 General Provisions.
 - 6.1 Consideration for Assignment. ASSIGNOR and ASSIGNEE represent and warrant that there are no payments or rent or any other consideration of any type which has been paid or is payable by ASSIGNEE to ASSIGNOR in connection with the Assignment of the LEASE.
 - 6.2 Brokerage Commission. ASSIGNOR and ASSIGNEE agree that LESSOR will not be liable for any brokerage commission or finder's fee in connection with the consummation of the Assignment or this Consent. ASSIGNOR and ASSIGNEE will protect, indemnify and hold LESSOR harmless from any brokerage commission or finder's fee in connection with the consummation of the Assignment or this Consent, and from any cost or expense (including attorney's fees) incurred by LESSOR in resisting any claim for any such brokerage commission or finders fee. The provisions of this Section 4.2 shall survive the expiration or earlier termination of both the Assignment and this Consent.

- 6.3 Controlling Law. The terms and provisions of this Consent will be construed in accordance with and will be governed by the laws of the State of California.
- 6.4 Captions. Captions to the sections in this Consent are included for convenience only and do not modify any of the terms of this Consent.
- 6.5 Entire Agreement; Waiver. This Consent constitutes the final, complete and exclusive statement among the parties to this Consent pertaining to the terms of LESSOR's Consent to the Assignment, supersedes all prior and contemporaneous understandings or agreements of the parties, and is binding on and inures to the benefit of their respective heirs, representatives, successors or assigns. No party has been induced to enter into this Consent by, nor is any party relying on, any representation or warranty outside those expressly set forth in this Consent. This Consent may be amended only in writing if mutually agreed to and signed by ASSIGNOR, ASSIGNEE, GUARANTOR and CITY.
- 6.6 Attorney Fees. If any party commences litigation against any other party for the specific performance of this Consent, for damages for the breach hereof or otherwise for enforcement of any remedy hereunder, the prevailing party shall be entitled to recover from the applicable party such costs and reasonable attorney fees as have been incurred.
- 6.7 Waiver. Except as explicitly stated in this Consent, nothing contained in this Consent will be deemed or construed to modify, waive, impair, or affect any of the covenants, agreements, terms, provisions, or conditions contained in the LEASE. In addition, the acceptance of rents by LESSOR from ASSIGNEE, GUARANTOR or anyone else liable under the LEASE will not be deemed a waiver by the LESSOR of any provisions of the LEASE.

[SIGNATURES BEGIN ON NEXT PAGE]

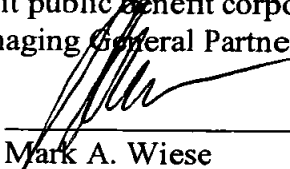
LESSOR, ASSIGNOR, ASSIGNEE and GUARANTOR have executed this
Consent as of the date shown.

ASSIGNEE:

OLIVEWOOD HOUSING PARTNERS, a
California limited partnership

Date: Dec. 11, 2008

By: PACIFIC HOUSING INC, a California non-
profit public benefit corporation
Its: Managing General Partner

By: 
Mark A. Wiese
Its: President

Address of ASSIGNEE:

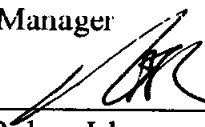
730 Alhambra Bl., #210
Sacramento, CA 95816

GUARANTOR:

THE AMERLAND GROUP, LLC, a California
limited liability company

Date: Dec. 12, 2008

By: Islas Development, LLC, a California limited
liability company
Its: Sole Manager

By: 
Ruben Islas
Its: Sole Manager and Sole Member

Address of GUARANTOR:

1927 Adams Ave.
San Diego, CA 92116

ASSIGNOR:

CHOLLAS GARDENS LIMITED, a California
limited partnership

Date: Dec 12 2008

By: **HOUSING OPPORTUNITIES, INC.**, a
California non-profit public benefit
corporation

Its: Managing General Partner

By: Walter Heiberg
Walter Heiberg

Its: President

Address of ASSIGNOR:

2750 Womble Rd

SD CA 92106

LESSOR:

THE CITY OF SAN DIEGO

Date: 1/26/09 2008

By: James F. Barwick
James F. Barwick, CCIM

Its: Real Estate Assets Director

APPROVED as to form and legality the 26th day of January, 2008 ⁹₂₀₀₈

JAN GOLDSMITH, CITY ATTORNEY

By: Debra J. Butler
~~Todd Bradley~~ Debra J. Butler
Deputy City Attorney

EXHIBIT "A"

Legal Description

All that certain real property located in the City of San Diego, County of San Diego, State of California, more particularly described as follows:

Parcel 1 of Parcel Map No. 10701, dated November 13, 1980, and recorded in the Office of the County Recorder of San Diego County as File No. 80-382989.

EXHIBIT "B"

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO AND
MAIL TAX STATEMENT TO:

Olivewood Housing Partners, LP
c/o Pacific Housing, Inc.
1801 L Street, Suite 245
Sacramento, CA 95814
Attention: Mark A. Wiese

(Space Above Line for Recorder's Use Only)

ASSIGNMENT AND ASSUMPTION OF GROUND LEASE
AND GRANT DEED OF IMPROVEMENTS

In accordance with Section 11932 of the California Revenue and Taxation Code, Assignor has declared the amount of Documentary Transfer Tax which is due, if any, by a separate statement which is not being recorded with this Assignment and Assumption of Ground Lease and Grant Deed of Improvements.

FOR VALUE RECEIVED, CHOLLAS GARDENS, LTD., a California limited partnership ("Assignor") with Housing Opportunities, Inc., a California nonprofit public benefit corporation as its managing general partner, hereby assigns to OLIVEWOOD HOUSING PARTNERS, LP, a California limited partnership ("Assignee"), with Pacific Housing, Inc., a California nonprofit public benefit corporation as its managing general partner, its successors and assigns, all of Assignor's right, title and interest as lessee in, to and under the lease described in Schedule 1 hereto (the "Ground Lease") covering that certain land located in the City of San Diego, County of San Diego, State of California, described on Schedule 2 attached hereto and by this reference incorporated herein (the "Land") and further grants to Assignee, all of Assignor's right, title and interest in and to those certain improvements described in Schedule 3 attached hereto (the "Improvements") and located on the Land.

ASSIGNEE HEREBY ACCEPTS the foregoing Assignment and assumes and agrees to perform and observe all of the covenants, conditions and provisions in the Ground Lease to be performed and observed by the lessee thereunder, which arise and relate to the period from and after the effective date hereof. Assignee agrees to indemnify, defend and hold harmless Assignor from any cost, liability, damage or expense (including reasonable attorneys' fees) arising out of or relating to Assignee's failure to perform any of the obligations under the Ground Lease arising on or after the effective date of this Assignment. Assignor agrees to indemnify, defend and hold harmless Assignee from any cost, liability, damage or expense (including reasonable attorneys' fees) arising out of or relating to Assignor's failure to perform any of Assignor's obligations under the Ground Lease arising before the effective date of this Assignment.

This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

This Assignment may be executed in any number of identical counterparts, all or any of which may contain the signatures of fewer than all of the parties, and all of which shall be construed together as a single instrument.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment and Assumption of Ground Lease and Grant Deed of Improvements as of the date first above written.

ASSIGNOR:

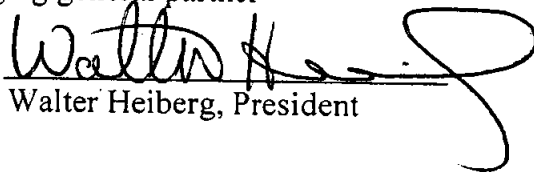
CHOLLAS GARDENS, LTD., a California
limited partnership

ASSIGNEE:

OLIVEWOOD HOUSING PARTNERS, LP, a
California limited partnership

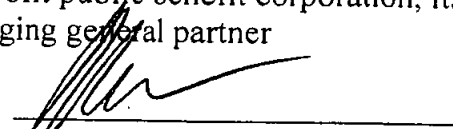
By: Housing Opportunities, Inc., a California
nonprofit public benefit corporation, its
managing general partner

By:


Walter Heiberg, President

By: Pacific Housing, Inc., a California
nonprofit public benefit corporation, its
managing general partner

By:


Mark A. Wiese, President

STATE OF CALIFORNIA

COUNTY OF Sacramento

)
) SS:
)

On December 11, 2008 before me, M. Skelton (here insert name of the officer),
Notary Public, personally appeared Mark A. Wiese, 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.



A handwritten signature in black ink, appearing to read "Mark A. Wiese", written over a horizontal line.

Signature of Notary Public

[Seal]

STATE OF CALIFORNIA

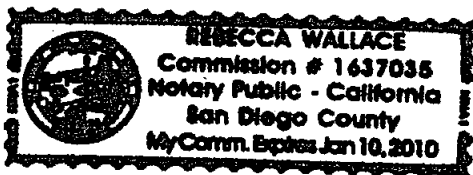
San Diego
COUNTY OF COUNTY

)
) SS:
)

On Dec. 12, 2008 before me, Rebecca Wallace (here insert name of the officer),
Notary Public, personally appeared Walke Heiberg, 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.



A handwritten signature in black ink, appearing to read "Rebecca Wallace", written over a horizontal line.

Signature of Notary Public

[Seal]

Schedule 1

Ground Lease

That certain unrecorded Lease Agreement dated as of December 11, 1980 between the City of San Diego, a municipal corporation and Chollas Gardens Limited, a California limited partnership with Housing Opportunities, Inc. a California nonprofit public benefit corporation as its managing general partner, a memorandum of which was recorded in the Official Records of San Diego County on December 11, 1980 as Instrument No 80-417288.

Schedule 2

Legal Description

All that certain real property located in the City of San Diego, County of San Diego more particularly described as follows:

Parcel 1 of Parcel Map No. 10701, in the City of San Diego, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on November 13, 1980

Schedule 3

Improvements

Any structures or improvements now or hereafter erected or situated on the Land, including without limitation, the foundations and footings thereof and any and all fixtures, equipment and machinery of every kind and nature whatsoever now or hereafter affixed or attached thereto, or now or hereafter used or procured for use in connection with the operation, use or occupancy thereof, and all appurtenances thereto, provided same are real property.

EXHIBIT "C"

GUARANTY OF LEASE

THIS GUARANTY OF LEASE ("**Guaranty**") is entered into as of Dec. 11, 2008 by THE AMERLAND GROUP, LLC, a California limited liability company ("**Guarantor**"), with Islas Development, LLC, a California limited liability company, as its manager, for the benefit of the CITY OF SAN DIEGO, a municipal corporation ("**CITY**" or "**Lessor**"), with respect to the assignment of that certain lease between CITY and Chollas Gardens, Ltd., a California limited partnership with Housing Opportunities, Inc., a California nonprofit public benefit corporation as its managing general partner, to Olivewood Housing Partners, LP, a California limited partnership ("**Assignee**") with Pacific Housing, Inc., a California nonprofit public benefit corporation as its managing general partner, dated December 11, 1980 (the "**Lease**").

1. Guarantor unconditionally guarantees to Lessor the Assignee's assumption of all rights and obligations of the Lease including payment by Assignee of all of amounts in the Lease to be paid by Assignee. If Assignee shall at any time default in any of its obligations, including the payment of any of the amounts in the Lease to be paid by Assignee (after notice to Assignee and Guarantor and the expiration of any applicable cure period), Guarantor will pay or perform Assignee's obligations same in the place and stead of Assignee.

2. Guarantor hereby expressly waives notice of acceptance of this Guaranty.

3. This Guaranty shall continue in full force and effect for any renewal or extension of the term of the Lease expressly set forth in the Lease, provided however, this Guaranty shall not apply to any amendment of the Lease or any renewal or extension of the term of the Lease not expressly set forth in the Lease unless has Guarantor has consented thereto in writing.

4. This Guaranty may not be modified or amended except by a written agreement executed by Lessor and Guarantor.

5. In the event of any default of Assignee, or Guarantor in place of Assignee, under the Lease, Lessor may proceed directly against Guarantor, Assignee, Assignor, any other guarantors, or anyone else liable under the Lease without first exhausting Lessor's remedies against any other person or entity liable under the Lease to Lessor.

6. Every notice, demand or request (collectively "**Notice**") required hereunder or by law to be given by either party to the other shall be in writing. Notices shall be given by personal service or by United States certified or registered mail, postage prepaid, return receipt requested, or by same day or overnight private courier, addressed to the party to be served at the address indicated below or such other address as the party to be served may from time to time designate in a Notice to the other party and any Notice shall be deemed given upon the earlier to occur of (i) receipt or (ii) refusal:

Lessor's Address for Notices:

The City of San Diego
1200 Third Avenue, Suite 1700
San Diego, California 92101
Attention: Real Estate Assets Director

Guarantor's Address for Notices:

The Amerland Group, LLC
P.O. Box 880367
San Diego CA 92168
Attention: Ruben Islas

7. This Guaranty shall be governed by and construed in accordance with the laws of the State of California.

8. This Guaranty constitutes the entire agreement with respect to the subject matter hereof, and supersedes all prior agreements, representations, negotiations and understandings with respect thereto.

9. In the event of any litigation between Guarantor and Lessor with respect to the subject matter hereof, the unsuccessful party in such litigation shall pay to the successful party all reasonable attorneys' fees and expenses.

10. The terms and provisions of this Guaranty shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.

11. Notwithstanding anything to the contrary contained herein, the liability of Guarantor hereunder shall not exceed the liability of Assignee under the Lease.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the date first above written.

"GUARANTOR"

THE AMERLAND GROUP, LLC, a California
limited liability company

By: Islas Development, LLC, a California
limited liability company

Its: Manager

By: 

Ruben Islas,

Its: Sole Member and Manager

GUARANTY OF LEASE

THIS GUARANTY OF LEASE ("**Guaranty**") is entered into as of Dec. 11, 2008 by THE AMERLAND GROUP, LLC, a California limited liability company ("**Guarantor**"), with Islas Development, LLC, a California limited liability company, as its manager, for the benefit of the CITY OF SAN DIEGO, a municipal corporation ("**CITY**" or "**Lessor**"), with respect to the assignment of that certain lease between CITY and Chollas Gardens, Ltd., a California limited partnership with Housing Opportunities, Inc., a California nonprofit public benefit corporation as its managing general partner, to Olivewood Housing Partners, LP, a California limited partnership ("**Assignee**") with Pacific Housing, Inc., a California nonprofit public benefit corporation as its managing general partner, dated December 11, 1980 (the "**Lease**").

1. Guarantor unconditionally guarantees to Lessor the Assignee's assumption of all rights and obligations of the Lease including payment by Assignee of all of amounts in the Lease to be paid by Assignee. If Assignee shall at any time default in any of its obligations, including the payment of any of the amounts in the Lease to be paid by Assignee (after notice to Assignee and Guarantor and the expiration of any applicable cure period), Guarantor will pay or perform Assignee's obligations same in the place and stead of Assignee.

2. Guarantor hereby expressly waives notice of acceptance of this Guaranty.

3. This Guaranty shall continue in full force and effect for any renewal or extension of the term of the Lease expressly set forth in the Lease, provided however, this Guaranty shall not apply to any amendment of the Lease or any renewal or extension of the term of the Lease not expressly set forth in the Lease unless has Guarantor has consented thereto in writing.

4. This Guaranty may not be modified or amended except by a written agreement executed by Lessor and Guarantor.

5. In the event of any default of Assignee, or Guarantor in place of Assignee, under the Lease, Lessor may proceed directly against Guarantor, Assignee, Assignor, any other guarantors, or anyone else liable under the Lease without first exhausting Lessor's remedies against any other person or entity liable under the Lease to Lessor.

6. Every notice, demand or request (collectively "**Notice**") required hereunder or by law to be given by either party to the other shall be in writing. Notices shall be given by personal service or by United States certified or registered mail, postage prepaid, return receipt requested, or by same day or overnight private courier, addressed to the party to be served at the address indicated below or such other address as the party to be served may from time to time designate in a Notice to the other party and any Notice shall be deemed given upon the earlier to occur of (i) receipt or (ii) refusal:

Lessor's Address for Notices:

The City of San Diego
1200 Third Avenue, Suite 1700
San Diego, California 92101
Attention: Real Estate Assets Director

Guarantor's Address for Notices:

The Amerland Group, LLC
P.O. Box 880367
San Diego CA 92168
Attention: Ruben Islas

7. This Guaranty shall be governed by and construed in accordance with the laws of the State of California.

8. This Guaranty constitutes the entire agreement with respect to the subject matter hereof, and supersedes all prior agreements, representations, negotiations and understandings with respect thereto.

9. In the event of any litigation between Guarantor and Lessor with respect to the subject matter hereof, the unsuccessful party in such litigation shall pay to the successful party all reasonable attorneys' fees and expenses.

10. The terms and provisions of this Guaranty shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.

11. Notwithstanding anything to the contrary contained herein, the liability of Guarantor hereunder shall not exceed the liability of Assignee under the Lease.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the date first above written.

"GUARANTOR"

THE AMERLAND GROUP, LLC, a California
limited liability company

By: Islas Development, LLC, a California
limited liability company

Its: Manager

By: _____

Ruben Islas,

Its: Sole Member and Manager

**ASSIGNMENT OF PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS**

THIS ASSIGNMENT OF PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS ("Assignment"), is made as of February 10, 2009 ("Effective Date"), by and between PACIFIC HOUSING, INC., a California nonprofit public benefit corporation ("Assignor") and OLIVEWOOD HOUSING PARTNERS, LP, a California limited partnership ("Assignee").

WITNESSETH:

WHEREAS, Assignor and Chollas Gardens, Ltd., a California limited partnership ("Seller") entered into a Purchase and Sale Agreement and Joint Escrow Instructions dated as of April 21, 2008 (as amended and assigned, the "Purchase Agreement") for the purchase and sale of the "Property" (as defined in the Purchase Agreement).

WHEREAS, this Assignment is being made for the purpose of assigning to Assignee all of Assignor's rights, title and interest in and to the Purchase Agreement.

WHEREAS, pursuant to Section 22(b) of the Purchase Agreement, Seller's consent is not required because Assignor is a partner of Assignee.

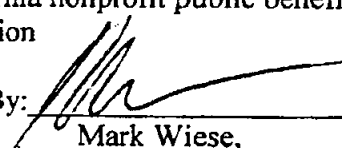
NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Assignment of Purchase Agreement. As of the Effective Date, Assignor hereby grants, assigns, transfers, conveys and delivers to Assignee the Purchase Agreement and all of Assignor's right, title, interest, benefits and privileges thereunder.
2. Assumption of Obligations. As of the Effective Date, Assignee hereby assumes and agrees to perform and to be bound by all of the terms, covenants, conditions and obligations imposed upon or assumed by Assignor as "Buyer" under the Purchase Agreement and agrees to reimburse Assignor for the full amount of the Deposit tendered pursuant to the Purchase Agreement.
3. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, heirs and legatees of the respective parties hereto.
4. Governing Law. This Assignment shall be governed by, interpreted under, and construed and enforceable with, the laws of the State of California.
5. Counterparts. This Assignment may be executed in multiple counterparts, each of which shall be deemed an original but all of which together shall be deemed one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date first hereinabove written.

ASSIGNOR:

PACIFIC HOUSING, INC.,
a California nonprofit public benefit
corporation

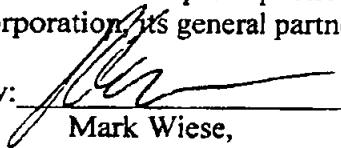
By: 

Mark Wiese,
President

ASSIGNEE:

OLIVEWOOD HOUSING PARTNERS, LP, a
California limited partnership

By: PACIFIC HOUSING, INC.,
a California nonprofit public benefit
corporation, its general partner

By: 

Mark Wiese,
President

BUYER(S) FINAL CLOSING STATEMENT

Prepared by
Stewart Title Guaranty
100 Pine Street, Suite 450
San Francisco, CA 94111-5106
(800) 366-7839

Buyer(s): OLIVEWOOD HOUSING PARTNERS, LP,
a California limited partnership
Seller(s): CHOLLAS GARDENS LTD., a California limited partnership
Lender: Neighborhood National Bank
Property: Chollas Garden Apartments
2855-2885 55th STREET SAN DIEGO CA 92105
Closing Date: 07/10/2009 Proration Date: 07/10/2009
Escrow Officer: Sanjay Chohan
File Number: 08300043

	DEBIT	CREDIT
SALES/PURCHASE PRICE	537,000.00	
NEW LOANS:		
Principal Amount of New Loan - Neighborhood National Bank		655,000.00
Principal Amount of New Loan - Neighborhood National Bank		25,000.00
DEPOSITS:		
Deposit of Earnest Money		25,000.00
Interest on Deposit		248.62
Buyer's Closing funds - Amerland		124,300.00
Buyer's Closing Funds - Pacific Housing		18,000.00
PRORATIONS:		
Rent Prorations (multiple units) - Based on rent roll dated 5/31/2009 from 07/10/09 to 07/31/09		18,203.23
MISCELLANEOUS ADJUSTMENTS:		
Tenant Security Deposits - Based on deposit log dated 5/31/2009		10,302.00
NEW LOAN CHARGES:		
Loan Origination Fee 1.000000%	6,550.00	
Appraisal Fee	3,000.00	
Credit Report - & filing Fee	250.00	
Lender's Inspection Fee	1,100.00	
Tax Service Fee	60.00	
Lender Doc Prep. - for \$655K Loan	1,000.00	
Lender Doc Prep. - 2nd Loan	475.00	
Flood Certification	11.00	
Environmetal	900.00	
Lease Review	3,197.50	
Fund Control UNDISBURSED	1,160.00	
Loan Contingency UNDISBURSED	5,128.00	
UCC Search/Review	140.50	
Luce Forward (legal fees) UNDISBURSED	24,525.00	
Loan funds, Improvements UNDISBURSED	250,003.00	
LP/Corp Certification Documents	270.00	
TITLE CHARGES:		
Lender's Title Policy	110.00	
Liability amount (MTP) \$680,000.00 PAYEE: STEWART TITLE OF CALIFORNIA, INC.		
Owner's Title Policy	2,003.00	
Liability amount (OTP) \$680,000.00 PAYEE: STEWART TITLE OF CALIFORNIA, INC.		
Endorsements - Lender's Title Policy	775.00	
PAYEE: STEWART TITLE OF CALIFORNIA, INC.		
Endorsements - Owner's Title Policy	1,300.00	
PAYEE: STEWART TITLE OF CALIFORNIA, INC.		

(Continued on next page)

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Buyer Final Closing Statement (continued)
File Number: 08300043

	DEBIT	CREDIT
Settlement Fee	3,000.00	
PAYEE: STEWART TITLE GUARANTY NTS		
Extended Coverage Inspection	150.00	
PAYEE: STEWART TITLE OF CALIFORNIA, INC.		
Tax and Assessment Search	25.00	
PAYEE: STEWART TITLE OF CALIFORNIA, INC.		
LP #10, Rewrite of ALTA Loan Policy	500.00	
PAYEE: STEWART TITLE OF CALIFORNIA, INC.		
RECORDING FEES/TRANSFER CHARGES:		
Recording fees EST amount \$600.00	600.00	
PAYEE: STEWART TITLE OF CALIFORNIA, INC.		
Documentary Transfer Tax (if any)	590.70	
PAYEE: STEWART TITLE OF CALIFORNIA, INC.		
MISCELLANEOUS CHARGES:		
Commercial Property Insurance Premium	6,670.00	
PAYEE: Wateridge Insurance Services		
Copies, Phone, Fax & Wire Fees	300.00	
PAYEE: STEWART TITLE GUARANTY NTS		
SUBTOTALS:	850,793.70	876,053.85
BALANCE DUE TO BUYER:	25,260.15	
TOTALS:	876,053.85	876,053.85

Not In Anacom

SELLER(S) FINAL CLOSING STATEMENT

Prepared by
Stewart Title Guaranty
100 Pine Street, Suite 450
San Francisco, CA 94111-5106
(800) 366-7839

Seller(s): CHOLLAS GARDENS LTD., a California limited partnership
Buyer(s): OLIVEWOOD HOUSING PARTNERS, LP,
a California limited partnership
Lender: Neighborhood National Bank
Property: Chollas Garden Apartments
2855-2885 55th STREET SAN DIEGO CA 92105
Closing Date: 07/10/2009 Proration Date: 07/10/2009
Escrow Officer: Sanjay Chohan
File Number: 08300043

	DEBIT	CREDIT
SALES/PURCHASE PRICE		537,000.00
PRORATIONS:		
Rent Prorations (multiple units) -	18,203.23	
Based on rent roll dated 5/31/2009		
from 07/10/09 to 07/31/09		
MISCELLANEOUS ADJUSTMENTS:		
Tenant Security Deposits -	10,302.00	
Based on deposit log dated 5/31/2009		
Deposit released to Seller	25,000.00	
PAYOFFS:		
Payoff of First Loan	292,382.57	
Principal amount: \$ 289,490.04		
Interest: \$ 2,026.43 Reconveyance fee: \$ 70.00		
Int6/29-7/10@\$72.37 : \$ 796.10		
PAYEE: Park National Bank		
RECORDING FEES/TRANSFER CHARGES:		
Recording fees Release amount \$150.00	150.00	
PAYEE: STEWART TITLE OF CALIFORNIA, INC.		
	SUBTOTALS:	537,000.00
	346,037.80	
BALANCE DUE TO SELLER:	190,962.20	
TOTALS:	537,000.00	537,000.00

END OF STATEMENT