

**FIRST AMENDMENT
TO HOME INVESTMENT PARTNERSHIPS
PROGRAM LOAN AGREEMENT
BETWEEN
THE CITY OF RIVERSIDE
AND
MT. RUBIDOUX MANOR, L.P.**

THIS FIRST AMENDMENT TO HOME INVESTMENT PARTNERSHIPS PROGRAM LOAN AGREEMENT ("First Amendment") is made and entered into this 1st day of November, 2017, by and between the City of Riverside, a California charter city and municipal corporation ("City"), and Mt. Rubidoux Manor, L.P., a California limited partnership ("Developer").

RECITALS

A. On January 19, 2001, the City and Developer's successor in interest, Riverside First Baptist Homes Inc., a California non-profit corporation ("Original Borrower"), entered into that certain HOME Investment Partnerships Program Loan Agreement ("Agreement") to effectuate the rehabilitation and conversion of twenty-two (22) existing studio units into eleven (11) one-bedroom long-term affordable senior apartments, in a low/moderate income Senior Citizen Housing Complex ("Project") on that certain real property located at 3993 Tenth Street, Riverside California ("Property"), owned by the Original Borrower.

B. In connection with that Agreement, the City provided financing to the Original Borrower for the Project. The required affordable units have been completed and have been utilized and rented as required under the Agreement.

C. The Original Owner has conveyed its fee interest in the Property to the Developer, and the Original Owner has assigned, and the Developer has assumed, all obligations under the Agreement and all other documents executed by the Original Owner in conjunction with the Agreement pursuant to that certain assignment and assumption agreement dated concurrently herewith.

D. Developer desires to obtain an allocation of low-income housing tax credits (the "Tax Credits") from the State of California Tax Credit Allowance Committee, and obtain other financing sources for the rehabilitation of the Property.

E. In connection with the Tax Credits and such other financing sources, the Developer and the City desire to make certain amendments to the Agreement as set forth in this First Amendment, including, but not limited to, extending the term of the Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals which are incorporated herein by this reference, City and Developer agree as follows:

1. Section I.A.2 of the Agreement is hereby amended in its entirety as follows:

“2. Affordable Units shall mean the eleven (11) one-bedroom HOME Assisted units on the Property required to be leased or rented to senior citizens at an Affordable Rent to HOME Eligible low-income households, as determined by HUD, and including not less than three (3) of the Affordable Units required to be occupied, or reserved for occupancy, by persons and families of very low-income as defined in 24 CFR 92.2.”

2. Section I.A.11 of the Agreement are hereby amended in their entirety as follows:

“11. Developer shall mean Mt. Rubidoux Manor, L.P., a California limited partnership, and its permitted successors or assigns.”

3. Section I.A.24 of the Agreement are hereby amended in their entirety as follows:

“24. Term of Affordability shall mean the period commencing on the date of the recordation of the Regulatory Agreement and ending on December 31, 2072.”

4. Section I.A.25 of the Agreement are hereby amended in their entirety as follows:

“25. Term of City Loan shall expire on December 31, 2072.”

5. Section I.C.1. of the Agreement is hereby amended to insert the following at the end of such section:

“Notwithstanding anything to the contrary contained in this Agreement, (a) Developer’s limited partner shall be permitted to remove the general partner of Developer for cause in accordance with that certain Amended and Restated Agreement of Limited Partnership of Developer dated on or about November 1, 2017 (the “Partnership Agreement”) without the consent of the City, and (b) Developer’s limited partners may transfer their limited partnership interests in Developer in accordance with the terms of the Partnership Agreement without the consent of the City (each, a “Permitted Transfer”), (c) no Permitted Transfer shall cause a default under this Agreement, (d) City shall not receive any fee or other amounts from Developer in connection with a Permitted Transfer and (e) the Partnership Agreement may be amended or modified in connection with a Permitted Transfer without the prior written consent of City.

6. Section II.B. of the Agreement is hereby amended in its entirety as follows:

“INTEREST The City Loan shall bear interest at a compounding rate equal to 2.75%.

7. Section IV.C of the Agreement is hereby amended in its entirety as follows:

“C. Non-Discrimination Covenants. Developer covenants by and for itself, its successors and assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation of any person or group of persons or group of persons, on account of race, color, creed, religion, sex, sexual orientation, gender, gender identity, gender expression, marital status, national origin, ancestry, or disability in the sale, leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of any unit or the Property nor shall the Developer itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of any unit or in the Property. The Developer shall refrain from restricting the rental, sale or lease of the Property on the basis of race, color, creed, religion, sex, marital status, gender, gender identity, gender expression, familial status, disability, national origin or ancestry of any person. All deeds, rental agreements, leases or contracts made or entered into by the Developer as to the units or the Site or portion thereof, shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

1. In deeds: The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, gender identity, gender expression, marital status, familial status, disability, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee himself or herself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases or vendees in the land herein conveyed. The foregoing covenants shall run with the land.

2. In leases: The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, gender, gender identity, gender expression, marital status, familial status, disability, ancestry or national origin in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use

or occupancy of tenants, lessees, subleases, subtenants or vendees in the premises herein leased.

3. In contracts: "There shall be no discrimination against or segregation of, any person, or group of persons on account of race, color, creed, religion, sex, gender, gender identity, gender expression, marital status, familial status, disability, ancestry or national origin, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the transferee himself or herself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases or vendees of the premises.

The covenants established in this Agreement shall, without regard to technical classification and designation, be binding upon the Developer and any successor in interest to the Property for the benefit and in favor of the City and any successor in interest and assigns, for the term of the Loan, except for the covenants against discrimination, which shall remain in perpetuity."

8. The Notices in Section VII.B. of the Agreement are hereby revised as follows:

Developer: Mt. Rubidoux Manor, L.P.
c/o Beacon Communities, Inc.
6120 Stoneridge Mall Road, Suite 300
Pleasanton, CA 94588
Attn: President

With a copy to:

Alliant Credit Facility II, LLC
c/o Alliant Asset Management Company LLC
21600 Oxnard Street, Suite 1200
Woodland Hills, California 91367
Attention: General Counsel

City: City of Riverside
Attn: Housing Manager
3900 Main Street
Riverside, California 92522

9. Any reference to "senior citizen" in this First Amendment, the Agreement, or in any other document evidencing the City's loan to the Developer, shall have the meaning set forth in Section 51.3 of the California Civil Code, as amended from time to time

10. All terms and conditions of the original Agreement not inconsistent with this First Amendment shall remain in full force and effect and are incorporated herein by this reference as though set forth in full.

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IN WITNESS WHEREOF, the City and Developer have caused this First Amendment to be duly executed on the day and year first above written.


DEVELOPER:

MT. RUBIDOUX MANOR, L.P.,
a California limited partnership

By: Mt. Rubidoux Manor LLC, a California
limited liability company, its managing general partner

By: Beacon Communities, Inc., a
California nonprofit public benefit
corporation, its manager

By:



Ancel Romero, President

Signatures Continue on Following Page

CITY:

CITY OF RIVERSIDE, a California charter
city and municipal corporation

By: _____

City Manager

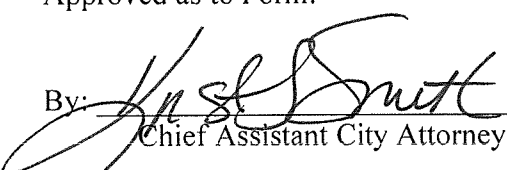
Attested to:

By: _____

City Clerk

Approved as to Form:

By: _____


Chief Assistant City Attorney

CA 17-1478