

## Refinance of Soft Loans for Glen Berry &amp; Glen Eden – TERM SHEET

Properties	<ul style="list-style-type: none"> <li>• Glen Berry</li> <li>• Glen Eden</li> </ul>
Parties	<ul style="list-style-type: none"> <li>• City as Lender of CDBG and HOME Funds</li> <li>• Housing Authority as regulator of former RDA restricted units (in its capacity as housing successor to the RDA)</li> <li>• Eden Housing Inc., as Sponsor and its affiliates, as the Owner and Borrower.</li> </ul>
CDBG Financing	<p>The two CDBG loans will be restated and combined to reflect the new principal amounts of:</p> <ul style="list-style-type: none"> <li>• \$504,502 (former (1992) Glen Berry Loan of \$298,903 at 3% interest)</li> <li>• \$695,785 (former (1992) Glen Eden Loan of \$408,145 at 3% interest)</li> </ul>
HOME Financing	<p>The existing HOME Loan will be restated to reflect the new principal amount of:</p> <ul style="list-style-type: none"> <li>• \$706,532 (former Glen Berry loan of \$500,000 at 3% interest)</li> </ul>
Interest	<p>The rate will be agreed to by the City Manager to maximize the rehabilitation scope and maintain financial feasibility consistent with tax requirements (expected to be the Applicable Federal Rate)</p>
Repayment	<p>Residual Receipts (to be shared among the City and HCD on a prorata basis). Cost savings shall be paid to the City and other soft lenders. Any funds paid to Eden or Seller at acquisition in connection with their loans shall be reinvested into the project in accordance with the project budget approved by the City or used to pay down the City loans as a first priority.</p>
Non-Recourse	<p>The loans will be non-recourse to the Borrower</p>
Affordability	<p>The Affordability at each individual project will be maintained:</p> <ul style="list-style-type: none"> <li>• Glen Berry: Housing Authority will restrict 49 units affordable to 60% households at 60% TCAC Rents for 55 years. The City will restrict 10 of those units as Low HOME units. The City restrictions will stay in place until 2049.</li> <li>• Glen Eden: The Housing Authority will restrict 35 units to 60% households at 60% TCAC Rents for 55 years.</li> </ul>
Conditions Precedent to Closing on Modified Documents	<ul style="list-style-type: none"> <li>• The City has approved the rehabilitation scope and plans and specifications</li> <li>• City has approved Eden's financing plan</li> <li>• City has received evidence of insurance and payment and performance bonds</li> <li>• Eden has obtained all permits needed for rehabilitation work</li> </ul>

	<ul style="list-style-type: none"> <li>• City has approved construction contract</li> <li>• Reporting related to any of the properties is current</li> <li>• City has approved form of lease and marketing plan</li> <li>• Comply with applicable relocation requirements</li> <li>• Any subordination of the City or Housing Authority financing does not limit the effect of the Deed of Trust and/or Regulatory Agreement before a foreclosure, nor require the consent of the Senior Lender to exercising remedies</li> </ul>
Construction	12-18 month construction period