

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

2-D February 6, 2024



JEFF LEVINSON
INTERIM EXECUTIVE OFFICER



February 06, 2024

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

The Honorable Board of Commissioners
Los Angeles County Development
Authority
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors and Commissioners:

**ADOPT RESOLUTIONS TO ISSUE SUPPLEMENTAL MULTIFAMILY HOUSING MORTGAGE
REVENUE BONDS TO FINANCE THE DEVELOPMENT OF THE LAS DAHLIAS PROJECT
(DISTRICT 1) (3 VOTE)**

SUBJECT

This letter requests that your Board approve authorizing resolutions and related actions for the issuance, sale, and delivery of tax-exempt Multifamily Housing Mortgage Revenue Bonds to finance the site acquisition, construction, rehabilitation, or development of Las Dahlias (formerly known as 3rd & Dangler), a 78-unit supportive housing development located in unincorporated East Los Angeles.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that adoption of the Resolutions is not subject to the provisions of the California Environmental Quality Act (CEQA) because the action will not have the potential of causing a significant effect on the environment.
2. Adopt and instruct the Chair to sign the attached Resolution approving the issuance of supplemental tax-exempt Multifamily Housing Mortgage Revenue Bonds (Bonds) by the Los Angeles County Development Authority (LACDA), in an aggregate principal amount not exceeding

\$4,800,000 to assist 3rd & Dangler LP (Borrower), or an LACDA-approved designee, to finance the site acquisition, construction, rehabilitation, or development of Las Dahlias (Project), a 78-unit supportive housing development located at 4643 East 3rd Street, 4653 East 3rd Street and 219 South Dangler Avenue in unincorporated East Los Angeles.

IT IS RECOMMENDED THAT THE BOARD OF COMMISSIONERS OF THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY:

1. Find that adoption of the Resolutions is not subject to the provisions of the California Environmental Quality Act (CEQA) because the action will not have the potential of causing a significant effect on the environment.
2. Adopt and instruct the Chair to sign the attached Resolution authorizing the issuance, sale and delivery of supplemental tax-exempt Multifamily Housing Mortgage Revenue Bonds (Bonds) in an aggregate principal amount not to exceed \$4,800,000 to finance the site acquisition, construction, rehabilitation, or development of Las Dahlias (Project), a 78-unit supportive housing development, located at 4643 East 3rd Street, 4653 East 3rd Street and 219 South Dangler Avenue in unincorporated East Los Angeles.
3. Authorize the Executive Director or designee to negotiate, execute, and if necessary, amend or terminate all related documents and take all necessary actions for the issuance, sale, and delivery of the Bonds.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to authorize the issuance, sale, and delivery of supplemental tax-exempt Multifamily Housing Mortgage Revenue Bonds in an aggregate principal amount not to exceed \$4,800,000 to finance the acquisition, construction, rehabilitation, or development of the Project.

The Project is located at 4643 East 3rd Street, 4653 East 3rd Street and 219 South Dangler Avenue in unincorporated East Los Angeles. The Project is currently under construction on what was vacant, unimproved land. The project aims to utilize public land to building housing for some of the County's most vulnerable residents. The Project includes 39 special needs units (15 studio units and 24 one-bedroom units) reserved for individuals and families earning 30% of the Area Median Income (AMI), 38 general affordable units (five studio units, 25 one-bedroom units, and eight two-bedroom units) reserved for individuals and families earning between 50% and 60% AMI, and one two-bedroom property manager's unit.

FISCAL IMPACT/FINANCING

There is no impact on the County General Fund. The Bonds will be repaid solely through rent revenues collected by the Borrower. The Borrower will pay all fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In 2020 and 2021, the Board adopted resolutions declaring the intent of the LACDA to undertake the financing of a Multifamily Housing Mortgage Revenue Bonds project and approved the LACDA's issuance of Multifamily Housing Mortgage Revenue Bonds and related actions in accordance with Section 147(f) of the Internal Revenue Code of 1986 (the "Code"). This authorized the issuance,

sale, and delivery of a tax-exempt multifamily housing mortgage revenue bond in an aggregate principal amount not to exceed \$22,000,000 and taxable multifamily housing mortgage revenue bonds in an aggregate principal amount not to exceed \$12,000,000 for the purpose of making a loan to provide financing for the Project.

On September 26, 2023, the Board of Commissioners adopted an additional inducement resolution declaring the intent of the LACDA to undertake the financing of a Supplemental Multifamily Housing Mortgage Revenue Bonds project in accordance with U.S. Treasury Department regulations. This action established a base date after which costs incurred by the Borrower for the Project could be included in the acquisition and permanent financing obtained pursuant to the issuance of supplemental tax-exempt Bonds.

The LACDA is requesting authority to issue these supplemental Bonds to assist the project in closing a financing gap that arose during the rising construction costs as a result of the volatile market.

The LACDA is authorized to issue multifamily revenue bonds to assist in financing for nonprofit public benefit organizations or for-profit corporations with a public benefit project, including the Borrower. In order for the LACDA to issue such Bonds, the LACDA and the County must execute the following actions: (1) The LACDA must conduct a public hearing to satisfy the public approval requirement of Section 147(f) of the Internal Revenue Code; and (2) the County must approve a resolution approving the plan of financing and authorizing the LACDA to issue the Bonds. Although the LACDA will be issuing the Bonds at the request of the Borrower, the financing cannot proceed without the approval of the applicable elected legislative body.

On January 16, 2024, the LACDA conducted a telephonic hearing regarding the issuance of the tax-exempt Bonds to finance the Project at its office located at 700 West Main Street in Alhambra. No comments were received at the hearing concerning the issuance of the tax-exempt Notes or the nature and location of the Project.

The attached Resolutions were prepared by Hawkins Delafield & Wood LLP, LACDA Bond Counsel, and approved as to form by County Counsel.

Pursuant to California Government Code Section 5852.1, a required public disclosure document for this Bond issuance is also attached. All other related documents, in substantially final form, are on file with the Executive Office. They will be approved as to form by County Counsel prior to execution by the authorized parties.

ENVIRONMENTAL DOCUMENTATION

The proposed actions are not a project pursuant to CEQA because they are activities that are excluded from the definition of a project by Section 15378 (b) of the State CEQA guidelines. The proposed actions are administrative activities of government which will not result in direct or indirect physical change to the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

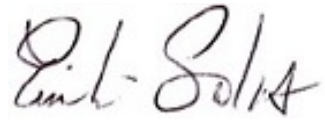
The proposed actions are a necessary step to provide bond financing for the Project, which will increase the supply of affordable multifamily housing in the County with long-term affordability.

The Honorable Board of Supervisors

2/6/2024

Page 4

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Emilio Salas". The signature is written in a cursive, flowing style.

Emilio Salas

Executive Director

ES:LK:ML:VB

Enclosures

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the “Borrower”) identified below has provided the following required information to the Los Angeles County Development Authority (the “Authority”) as conduit financing provider, prior to the Authority’s regular meeting (the “Meeting”) of its Commission (the “Commission”) at which Meeting the Commission will consider the authorization of conduit revenue obligations (the “Obligations”) as identified below.

1. Name of Borrower: 3rd & Dangler LP, a California Limited Partnership
2. Authority Meeting Date: February 6, 2024
3. Name of Obligations: Los Angeles County Development Authority Multifamily Housing Mortgage Revenue Bond (Las Dahlias) 2024 Series B
4. X Private Placement Lender or Bond Purchaser, ___ Underwriter or ___ Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows:
 - (A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 6.95%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$104,300.
 - (C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$3,122,654.
 - (D) The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$278,000.
5. The good faith estimates provided above were ___ presented to the governing board of the Borrower, or ___ presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, X presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations (mark one).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: January 22, 2024

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING
MORTGAGE REVENUE BONDS AND RELATED ACTIONS

WHEREAS, the Los Angeles County Development Authority (the “LACDA”) intends to adopt a plan of financing to sell and issue, from time to time, one or more multifamily housing mortgage revenue bonds in one or more series, and at no time to exceed \$4,800,000 in outstanding aggregate principal amount (the “Bonds”), in order to assist in financing (including reimbursement of the expenditures of the Borrower (herein defined)) the acquisition, construction and development of a multifamily rental housing development consisting of 78 units located at 4655 E. 3rd Street, Los Angeles, in the County of Los Angeles, California (the “Project”), to be owned by 3rd & Dangler LP, a California limited partnership (or an affiliate, assign or designee) (the “Borrower”); and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the “Code”), the Bonds are required to be approved prior to their issuance by the applicable elected representative of the governmental unit on whose behalf the Bonds are expected to be issued and by each governmental unit having jurisdiction over the area in which any facility financed by such Bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, the interest on the Bonds may qualify for exclusion from gross income under Section 103 of the Code, only if the Bonds are approved in accordance with Section 147(f) of the Code; and

WHEREAS, the Project is located wholly within the County of Los Angeles, California (the “County”); and

WHEREAS, this Board of Supervisors is the elected legislative body of the County and is the applicable elected representative of the LACDA within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the LACDA has, following notice duly given, held a public hearing regarding the plan of financing and the issuance of such Bonds on January 30, 2024, and now desires that the Board of Supervisors approve the issuance of such Bonds within the County; and

WHEREAS, this Board hereby finds and declares that this Resolution is being adopted pursuant to the powers granted by law.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The above recitals, and each of them, are true and correct.
2. This Board of Supervisors hereby approves the plan of financing and the issuance of the Bonds by the LACDA to further finance costs of the Project in the County. It is the purpose and intent of this Board of Supervisors that this Resolution constitute approval of the plan of financing and the Bonds by the applicable elected representative of

the issuer of the Bonds and the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with Section 147(f) of the Code.

3. The proper officers of the LACDA are hereby authorized and directed to take whatever further action relating to the aforesaid financial assistance may be deemed reasonable and desirable, provided that the terms and conditions under which the Bonds are to be issued and sold shall be approved by the Board of Commissioners of the LACDA in the manner provided by law prior to the sale thereof.

4. The Chief Executive Officer-Clerk of the Board of Supervisors or a deputy thereof is directed to certify and deliver a copy of this Resolution to the LACDA.

5. This Resolution shall take effect immediately upon its adoption.

[Remainder of page intentionally left blank]

PASSED AND ADOPTED by the Board of Supervisors of the County of Los Angeles,
State of California, this ____ day of February, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By _____
Chair of the Board of Supervisors

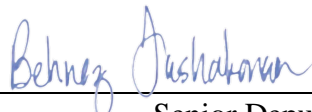
ATTEST:

JEFF LEVINSON
Interim Executive Officer-
Clerk of the Board of
Supervisors

By _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By  _____
Senior Deputy

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF TAX-EXEMPT MULTIFAMILY HOUSING MORTGAGE REVENUE BOND IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$4,800,000 FOR THE PURPOSE OF MAKING A LOAN TO PROVIDE ADDITIONAL FINANCING FOR A MULTIFAMILY RENTAL HOUSING PROJECT PREVIOUSLY KNOWN AS 3RD AND DANGLER APARTMENTS (NOW RENAMED LAS DAHLIAS), DETERMINING AND PRESCRIBING CERTAIN MATTERS RELATING THERETO, AND APPROVING AND AUTHORIZING THE EXECUTION OF RELATED DOCUMENTS, AGREEMENTS AND ACTIONS.

WHEREAS, the Los Angeles County Development Authority (the "LACDA") is authorized and empowered by the provisions of Section 34312.3 of the Health and Safety Code of the State of California (the "Act") to issue and sell revenue bonds or notes for the purpose of making loans or otherwise providing funds to finance the acquisition, construction, rehabilitation and development of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Act; and

WHEREAS, the LACDA previously issued its Los Angeles County Development Authority Multifamily Housing Mortgage Revenue Bond (3rd and Dangler Apartments) 2021 Series F-1 (Tax-Exempt) in the aggregate principal amount of \$22,000,000 in the form of a draw down bond and its Los Angeles County Development Authority Multifamily Housing Mortgage Revenue Bond (3rd and Dangler Apartments) 2021 Series F-2 (Taxable) in the aggregate principal amount of \$10,400,000 in the form of a draw down bond to assist in the financing of the acquisition, development and construction of a multifamily rental housing development consisting of 78 units located at 4655 E. 3rd Street, Los Angeles, California 90022, in the County of Los Angeles (the "Project"), previously known as 3rd and Dangler Apartments (now renamed Las Dahlias) and owned by 3rd & Dangler LP, a California limited partnership, or an affiliate, assign or designee thereof (the "Borrower"); and

WHEREAS, there has been prepared and presented to this Board of Commissioners (this "Board") for consideration at this meeting the documentation required for the issuance of one or more series of bonds for the further financing of the Project; and

WHEREAS, pursuant to Section 5852.1 of the California Government Code, this Board has received the following information as a good faith estimate of the cost of the Project financing and the LACDA has disclosed such information in accordance with Section 5852.1 of the California Government Code: (a) the true interest cost of the Bond (as hereafter defined); (b) the finance charge of the Bond, including all third party expenses; (c) the amount of proceeds received by the LACDA for the sale of the Bond less the finance charge of the Bond and any reserves or capitalized interest paid or funded with proceeds of the Bond; and (d) the total payment amount; and

WHEREAS, it appears that each of the documents and instruments above referred to which are now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Los Angeles County Development Authority, as follows:

1. It is hereby found and determined that it is necessary and desirable for the LACDA to provide additional financing for the Project through the issuance, sale and delivery of the Bond in order to assist in the acquisition, construction and development of the type of dwelling units provided by the Project.

2. For the purpose of raising moneys with which to effectuate additional financing for the Project, the LACDA hereby determines to issue its Multifamily Housing Mortgage Revenue Bond (Las Dahlias), 2024 Series B (or such other name or series designation as may be designated by officers or agents of the LACDA), in one or more series or subseries, each with an appropriate series designation (the "Bond"), in an aggregate principal amount not to exceed \$4,800,000. The Bond shall bear interest at the interest rate set forth in or determined in accordance with a Trust Indenture (the "Original Indenture"), by and between the LACDA and U.S. Bank National Association, as trustee thereunder (the "Trustee"), as amended and supplemented by that certain First Supplemental Indenture, by and between the LACDA and the Trustee (the "First Supplemental Indenture" and, together with the Original Indenture, the "Indenture") maturing as provided in the Indenture, but not later than 35 years from the date of issuance. The Bond shall be in substantially the form set forth in the Indenture, with such appropriate variations, omissions, insertions and provisions as are permitted or required by the Indenture, which shall be appropriately completed when the Bond are prepared. The Bond shall be limited obligations of the LACDA, payable solely from the income, revenues, proceeds and other amounts pledged therefor under the Indenture. The Bond shall be executed, either manually or by facsimile, by the Chair of the Board of Commissioners or the Executive Director of the LACDA.

3. The proposed form of the First Supplemental Indenture, in the form presented to this meeting, is hereby approved. Each of the Chair of this Board, the Executive Director of the LACDA and their respective designee is each hereby authorized and directed, for and in the name and on behalf of the LACDA, to execute and deliver the Indenture, in substantially said form, with such additions thereto or changes therein as such officer may approve or recommend upon consultation with counsel to the LACDA and Bond Counsel to the LACDA (provided that such additions or changes shall not authorize an aggregate principal amount of Bond in excess of the amount stated above or result in an initial interest rate on the Bond in excess of 12%), the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Indenture. The proposed form of the Bond, as set forth in the Indenture, is hereby approved, and the Chair of this Board, the Executive Director of the LACDA and their respective designee is each hereby authorized and directed to execute, by manual or facsimile signatures of such officers, and the Trustee is hereby authorized and directed to authenticate, by manual signature of an authorized officer of the Trustee, the Bond in substantially such form, and the LACDA and the Trustee are each hereby authorized and directed to deliver the Bond to the purchaser, which shall be JPMorgan Chase Bank, N.A., or an affiliate thereof in accordance with the Indenture. The Bond may, if so provided in the Indenture, be issued as a "draw down" bond to be funded over time as provided in the Indenture. The date, maturity date, interest rate

or rates, interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Bond shall be as provided in the Indenture as finally executed.

4. The proposed form of First Amendment to Loan Agreement (the “First Amendment to Loan Agreement”), in the form presented to this meeting, is hereby approved. Each of the Chair of this Board, the Executive Director of the LACDA and their respective designee is each hereby authorized and directed, for and in the name and on behalf of the LACDA, to execute and deliver the First Amendment to Loan Agreement, with such additions or changes in said document as such officer may recommend or approve upon consultation with counsel to the LACDA and Bond Counsel to the LACDA, the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the First Amendment to Loan Agreement.

5. The proposed form of First Amendment to Regulatory Agreement and Declaration of Restrictive Covenants (the “First Amendment to Regulatory Agreement”), in the form presented to this meeting, is hereby approved. Each of the Chair of this Board, the Executive Director of the LACDA and their respective designee is each hereby authorized and directed, for and in the name and on behalf of the LACDA, to execute and deliver the First Amendment to Regulatory Agreement, with such additions or, changes in said document as such officer may recommend or approve upon consultation with counsel to the LACDA and Bond Counsel to the LACDA, the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the First Amendment to Regulatory Agreement.

6. This Board hereby appoints the Executive Director of the LACDA or his/her designee as administrator/manager with respect to the Project and other matters arising in connection with the Bond (the “Administrator”).

7. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this resolution, whether before or after the issuance of the Bond, including without limitation any of the foregoing which may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project or any redemption of the Bond, may be given or taken by the Administrator without further authorization by this Board, and the Administrator is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officer may deem necessary or desirable to further the purposes of this resolution.

8. All actions heretofore taken by the officers and agents of the LACDA with respect to the sale, issuance and delivery of the Bond are hereby approved, confirmed and ratified, and the proper officers of the LACDA are hereby authorized and directed, for and in the name and on behalf of the LACDA to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to those described in the Bank Loan Agreement, as amended, and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bond and to

effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the LACDA.

9. This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the Board of Commissioners of the Los Angeles County Development Authority, this 6 day of February, 2024, by the following vote:

AYES: Supervisors Solis, Mitchell, Hahn, Barger and Horvath

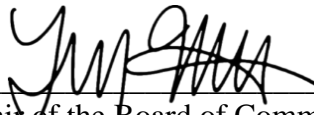
NOES: None

ABSENT: None

ABSTAIN: None

By: _____

Chair of the Board of Commissioners



ATTEST:

JEFF LEVINSON, Interim Executive Officer
Executive Officer – Clerk
of the Board of Commissioners

By: _____

Deputy

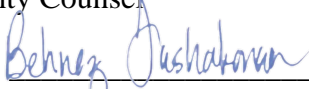


APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____

Senior Deputy



FIRST AMENDMENT TO LOAN AGREEMENT

By and between

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

and

3RD & DANGLER LP

Dated as of [As of Date]

relating to

**Los Angeles County Development Authority
Multifamily Housing Mortgage Revenue Bonds
(Las Dahlias)
2024 Series B**

The interest of the LACDA in the Loan Agreement, as amended by this First Amendment to Loan Agreement (except for certain rights described herein), has been pledged and assigned to U.S. Bank National Association, as trustee (the “Trustee”) under that certain Trust Indenture, dated as of June 1, 2021, as amended and supplemented, by and between the LACDA and the Trustee.

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS

Section 1.1.	Definitions	3
--------------	-------------------	---

ARTICLE II

AMENDMENTS TO ORIGINAL LOAN AGREEMENT

Section 2.1.	Amendment to Section 2.10(e)	3
Section 2.2.	Amendment to Section 3.2(e)	3
Section 2.3.	Amendment to Section 4.16(viii).....	3
Section 2.4.	Amendment to Section 4.19.....	4

ARTICLE III

MISCELLANEOUS

Section 3.1.	Effect of First Amendment to Loan Agreement	4
Section 3.2.	Binding Effect.....	4
Section 3.3.	Severability	4
Section 3.4.	Execution in Counterparts	5
Section 3.5.	Applicable Law	5
Section 3.6.	Effective Date	5

FIRST AMENDMENT TO LOAN AGREEMENT

THIS FIRST AMENDMENT TO LOAN AGREEMENT (this “First Amendment to Loan Agreement”) is entered into as of [As of Date], between the **LOS ANGELES COUNTY DEVELOPMENT AUTHORITY**, a public body, corporate and politic, organized and existing under the laws of the State of California (together with its successors and assigns, the “LACDA”), and **3RD & DANGLER LP**, a California limited partnership (together with its successors and assigns, the “Borrower”).

WITNESSETH:

RECITALS

WHEREAS, the LACDA is authorized by Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California (the “Act”) to issue revenue bonds for the purpose of financing, among other things, the acquisition, rehabilitation and development of multifamily rental housing and for the provision of capital improvements in connection therewith and determined necessary thereto; and

WHEREAS, the Act authorizes the LACDA: (a) to make loans to any person to provide financing for rental residential developments located within the County of Los Angeles (the “Sponsoring Political Subdivision”), and intended to be occupied in part or in whole by persons of low and moderate income, as determined by the LACDA; (b) to issue its revenue bonds for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the LACDA, including the revenues and receipts to be received by the LACDA from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the LACDA in order to secure the payment of the principal or redemption price of and interest on such bonds; and

WHEREAS, 3rd & Dangler LP (the “Borrower”), previously requested the LACDA to issue revenue bonds designated as the Multifamily Housing Mortgage Revenue Bond (3rd and Dangler Apartments), 2021 Series F-1 (Tax-Exempt) (the “Series F-1 Bond”) and the Multifamily Housing Mortgage Revenue Bond (3rd and Dangler Apartments) 2021 Series F-2 (Taxable) (the “Series F-2 Bond” and, together with the Series F-1 Bond and the Series F-2 Bond, the “2021 Bonds”) and to loan the proceeds from the sale thereof (the “2021 Loan”) to the Borrower to finance the acquisition, development and construction of a multifamily rental housing development located in the County of Los Angeles, previously known as 3rd and Dangler Apartments and now renamed as Las Dahlias (the “Project”); and

WHEREAS, the LACDA issued the 2021 Bonds pursuant to the Trust Indenture, dated as of June 1, 2021 (the “Original Indenture”), by and between the LACDA and the Trustee; and

WHEREAS, simultaneously with the delivery of the Original Indenture, the LACDA and the Borrower entered into a Loan Agreement dated as of June 1, 2021 (the “Original Loan Agreement”), whereby the Borrower agreed to make loan payments to the LACDA in an amount which, when added to other funds available under the Original Indenture, will be sufficient to pay

the Bond Obligations (as defined in the Original Indenture) and to pay all costs and expenses related thereto when due; and

WHEREAS, to evidence its payment obligations under the Original Loan Agreement, the Borrower executed and delivered a Construction and Permanent Loan Promissory Note (Tax-Exempt) (the “Borrower 2021 Tax-Exempt Note”) and a Construction Loan Promissory Note (Taxable) (the “Borrower 2021 Taxable Note” and, together with the Borrower 2021 Tax-Exempt Note, the “Borrower 2021 Notes”), and the obligations of the Borrower under the Borrower 2021 Notes are secured by a lien on and security interest in the Project pursuant to a Construction and Permanent Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing, dated as of June 1, 2021 (the “Original Mortgage”) to the Trustee, made by the Borrower in favor of the LACDA and assigned to the Trustee; and

WHEREAS, the Borrower has requested the LACDA to issue additional revenue bonds designated as the Multifamily Housing Mortgage Revenue Bond (Las Dahlias), 2024 Series B (the “Series 2024 Bond”) and to loan the proceeds from the sale thereof (the “2024 Loan”) to the Borrower to provide additional financing for the acquisition, development and construction of the Project; and

WHEREAS, the LACDA has agreed to issue the Series 2024 Bond pursuant to the Original Trust Indenture, as supplemented by the First Supplemental Indenture, dated as of [As Of Date] (the “First Supplemental Indenture” and, together with the Original Indenture, and as same may be further amended and supplemented, the “Indenture”); and

WHEREAS, Section 8.5 of the Original Loan Agreement provides for the execution of an amendment with the written agreement of the parties thereto; and

WHEREAS, simultaneously with the delivery this First Supplemental Indenture, the LACDA and the Borrower will enter into this First Amendment to Loan Agreement (together with the Original Loan Agreement and as same may be further amended and supplemented, the “Loan Agreement”), whereby the Borrower agrees to make additional loan payments to the LACDA in an amount which, when added to other funds available under the Indenture, will be sufficient to pay the Bond Obligations (as defined in the Original Indenture) with respect to the 2021 Bonds and the Series 2024 Bonds and to pay all costs and expenses related thereto when due; and

WHEREAS, to evidence its payment obligations under the Loan Agreement with respect to the Series 2024 Bonds, the Borrower will execute and deliver a Promissory Note (the “Borrower 2024 Note”), and the obligations of the Borrower under the Borrower 2024 Note are secured by a lien on and security interest in the Project pursuant to a [First Amendment to Construction and Permanent Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing, dated as of June 1, 2021 (the “First Amendment to Mortgage” and, together with the Original Mortgage and as further amended and supplemented, the “Mortgage”) to the Trustee, made by the Borrower in favor of the LACDA and assigned to the Trustee; and

WHEREAS, all Bondholders and the Borrower have consented to this First Amendment to Loan Agreement pursuant to Section 8.5 of the Original Loan Agreement and agreed to provide for the First Supplemental Indenture pursuant to Section 12.1 of the Original Indenture; and

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements herein contained, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. For all purpose of this First Amendment to Loan Agreement, except as otherwise expressly provided or unless the context otherwise requires, (a) all capitalized terms shall have the meanings ascribed thereto in the Indenture and (b) references to the Series F-1 Bonds and the Series 2024 Bonds as “tax exempt” or the tax exempt status of the Series F-1 Bonds or the Series 2024 Bonds are to the exclusion of interest on such Bonds (other than any Series F-1 Bonds or Series 2024 Bonds held by a “substantial user” of the Project or a “related person” within the meaning of Section 147(a) of the Code) from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

ARTICLE II

AMENDMENTS TO ORIGINAL LOAN AGREEMENT

Section 2.1. Amendment to Section 2.10(e). Section 2.10(e) of the Original Loan Agreement is amended and restated in its entirety to read as follows:

(e) with respect to the Series F-1 Note and the Series 2024 Note, in whole upon a Determination of Taxability; or

Section 2.2. Amendment to Section 3.2(e). Section 3.2(e) of the Original Loan Agreement is amended and restated in its entirety to read as follows:

(e) To the knowledge of the LACDA, there is no action, suit, proceeding, inquiry or investigation active, pending or threatened against the LACDA by or before any court, governmental agency or public board or body, which (i) affects or questions the existence or the territorial jurisdiction of the LACDA or the title to office of any member of the LACDA; (ii) affects or seeks to prohibit, restrain or enjoin the execution and delivery of any of the LACDA Documents, or the issuance, execution or delivery of the Bonds; (iii) affects or questions the validity or enforceability of any of the LACDA Documents or the Bonds; (iv) questions the exclusion from gross income for federal income tax taxation of interest on the Series F-1 Bond or the Series 2024 Bond; or (v) questions the power or authority of the LACDA to perform its obligations under any of the LACDA Documents or the Bonds or to carry out the transactions contemplated by any of the LACDA Documents or the Bonds.

Section 2.3. Amendment to Section 4.16(viii). Section 4.16(viii) of the Original Loan Agreement is amended and restated in its entirety to read as follows:

(viii) Any declaration of taxability of interest on the Series F-1 Bond or the Series 2024 Bond or allegations (or regulatory inquiry) that interest on the Bonds is taxable for federal income tax purposes; and

Section 2.4. Amendment to Section 4.19. Section 4.19 of the Original Loan Agreement is amended in its entirety to read as follows:

Tax Covenants. The Borrower represents, warrants and covenants that the Borrower shall not take any action or omit to take any action within its direct or indirect control which, if taken or omitted, respectively, would adversely affect the exclusion of interest on the Series F-1 Bond or the Series 2024 Bond from gross income (as defined in Section 61 of the Code), for federal income tax purposes and, if it should take or permit any such action, the Borrower will take all lawful actions that it can take to rescind such action promptly upon having knowledge thereof and that the Borrower will take such action or actions, including amendment of this Loan Agreement, the Mortgage and the Regulatory Agreement, as may be necessary, in the opinion of Bond Counsel, to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service applicable to the Series F-1 Bond or the Series 2024 Bond or affecting the Project and to comply with the provisions of the Tax Certificate.

ARTICLE III

MISCELLANEOUS

Section 3.1. Effect of First Amendment to Loan Agreement. This First Amendment to Loan Agreement and all of the terms and provisions herein contained shall form part of the Original Loan Agreement as fully and with the same effect as if all such terms and provisions had been set forth in the Original Loan Agreement. The Original Loan Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this First Amendment to Loan Agreement and the terms of the Original Loan Agreement (as in effect on the day prior to the effective date of this First Amendment to Loan Agreement), the terms of this First Amendment to Loan Agreement shall prevail.

Section 3.2. Binding Effect. This First Amendment to Loan Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

Section 3.3. Severability. In the event any provision of this First Amendment to Loan Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 3.4. Execution in Counterparts. This First Amendment to Loan Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 3.5. Applicable Law. This First Amendment to Loan Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and performed in such State.

Section 3.6. Effective Date. This First Amendment to Loan Agreement shall become effective upon its execution on the date first written above.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the LACDA and the Borrower have caused this Loan Agreement to be duly executed as of the date first written above.

LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY

By: _____

Name:

Executive Director or Designee

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____
Senior Deputy

BORROWER:

3RD & DANGLER LP,
a California limited partnership

By: NCRC Dangler LLC,
a California limited liability company,
its managing general partner

By: National Community Renaissance of California,
a California nonprofit public benefit
corporation, its sole member and manager

By: _____
Michael Finn, Chief Financial Officer

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

HAWKINS DELAFIELD & WOOD LLP
300 SOUTH GRAND AVENUE, SUITE 350
LOS ANGELES, CA 90071
ATTENTION: DIANE K. QUAN, ESQ.

**FIRST AMENDMENT TO
REGULATORY AGREEMENT
AND DECLARATION OF RESTRICTIVE COVENANTS**

by and among

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

and

3RD & DANGLER LP

Dated as of [As of Date]

relating to

**\$(PAR)
Los Angeles County Development Authority
Multifamily Housing Mortgage Revenue Bonds
(Las Dahlias)
2024 Series B**

TABLE OF CONTENTS

	<u>Page</u>
Section 1. Definitions and Interpretation	2
Section 2. Amendment to Section 2.....	5
Section 3. Amendment to Sections 5, 6, 8, 9, 11, 13, 14, 18, 22 and 30	8
Section 4. Amendment to Section 7(l).....	8
Section 5. Amendment to Section 23.....	9
Section 6. Amendment to Exhibit G	9
Section 7. Amendment to Exhibit I.....	9
Section 8. Amendment to Exhibit J	9
Section 9. Effect of First Amendment to Regulatory Agreement.....	10
Section 10. Binding Effect.....	10
Section 11. Severability	10
Section 12. Execution in Counterparts.....	10
Section 13. Applicable Law	10
Section 14. Effective Date	10
 EXHIBIT A DESCRIPTION OF PROJECT SITE	
EXHIBIT B 2023 CDLAC RESOLUTION	
EXHIBIT C FORM OF CONSTRUCTION COMPLETION CERTIFICATE	
EXHIBIT D FORM OF CERTIFICATE OF QUALIFIED PROJECT PERIOD	

**FIRST AMENDMENT TO REGULATORY AGREEMENT AND
DECLARATION OF RESTRICTIVE COVENANTS**

THIS FIRST AMENDMENT TO REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS (this “First Amendment to Regulatory Agreement”) is made and entered into and dated as of [As of Date] by and among the **LOS ANGELES COUNTY DEVELOPMENT AUTHORITY**, a public body, corporate and politic, organized and existing under the laws of the State of California (together with any successor to its rights, duties and obligations, the “LACDA”), **U.S. BANK NATIONAL ASSOCIATION**, a national banking association in its capacity as Trustee (the “Trustee”) under that certain Trust Indenture, dated as of June 1, 2021 (the “Original Indenture”), as amended and supplemented by that certain First Supplemental Indenture dated as of [As of Date] (the “First Supplemental Indenture” and, together with the Original Indenture, the “Indenture”), each between the LACDA and the Trustee, and **3RD & DANGLER LP**, a California limited partnership (the “Borrower”).

WITNESSETH:

WHEREAS, pursuant to Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California (the “Act”), the LACDA is empowered to issue bonds to finance the acquisition, construction, rehabilitation and development of multifamily rental housing; and

WHEREAS, on September 1, 2020 (the “Inducement Date”) the Board of Commissioners of the Housing Authority of the County of Los Angeles (the “Housing Authority”) passed a resolution (the “Inducement Resolution”) indicating the Housing Authority’s intent to provide for the issuance of revenue bonds or notes to finance the acquisition, construction and development of 3rd and Dangler Apartments, a multifamily residential rental housing project located in the County of Los Angeles, consisting of 78 units located at 4655 E. 3rd Street, Los Angeles, California 90022, previously known as 3rd and Dangler Apartments and now renamed as Las Dahlias, on the site more particularly described in Exhibit A hereto (the “Project”); and

WHEREAS, pursuant to Section 2.58.030 of the County Code of the County of Los Angeles (the “County”) and the Resolution of the Board of Supervisors of the County adopted on April 16, 2019, the LACDA is vested with the rights, powers, duties and responsibilities of the Housing Authority and the proceedings of the Housing Authority shall have the same validity and effect as if undertaken by the LACDA; and

WHEREAS, on May 18, 2021, the Board of Commissioners of the LACDA adopted a resolution (the “2021 Resolution”) authorizing the issuance of its revenue bonds to provide financing for the acquisition, development and construction of the Project; and

WHEREAS, in furtherance of the purposes of the Act and the 2021 Resolution, and as a part of the LACDA’s program of financing housing, the LACDA issued pursuant to the Original Indenture its Multifamily Housing Mortgage Revenue Bond (3rd and Dangler Apartments), 2021 Series F-1 (Tax-Exempt) in the maximum principal amount of \$22,000,000 (the “2021 F-1 Bond”) and its Multifamily Housing Mortgage Revenue Bond (3rd and Dangler Apartments), 2021 Series F-2 (Taxable) in the maximum principal amount of \$10,400,000 (the “2021 F-2 Bond” and, together with the 2021 F-1 Bond, the “2021 Bonds”), the proceeds of which are to be used to fund

a loan (the “2021 Loan”) to the Borrower pursuant to the Loan Agreement dated as of June 1, 2021 (the “Original Loan Agreement”), by and between the LACDA and the Borrower, to provide financing for the acquisition, development and construction of the Project; and

WHEREAS, on February 6, 2024, the Board of Commissioners of the LACDA adopted a resolution (the “2024 Resolution” and, collectively with the 2021 Resolution, the “Resolutions”) authorizing the issuance of its revenue bonds to provide additional financing for the acquisition, development and construction of the Project; and

WHEREAS, in furtherance of the purposes of the Act and the 2024 Resolution, and as a part of the LACDA’s program of financing housing, the LACDA issued pursuant to the Indenture its Multifamily Housing Mortgage Revenue Bond (Las Dahlias), 2024 Series B in the maximum principal amount of \$4,800,000 (the “2024 Bonds” and, together with the 2021 Bonds, the “Bonds”), the proceeds of which are to be used to fund an additional loan (the “2024 Loan”) to the Borrower pursuant to the Original Loan Agreement, as amended by that certain First Amendment to Loan Agreement dated as of [As of Date] (the “First Amendment to Loan Agreement” and, together with the Original Loan Agreement, the “Loan Agreement”), each by and between the LACDA and the Borrower, to provide additional financing for the acquisition, development and construction of the Project; and

WHEREAS, in order for interest on the 2021 F-1 Bond and the 2024 Bond to be excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986 (the “Code”), and the below defined Regulations and rulings with respect to the Code, and in order to comply with the Act and the policies with respect to the LACDA’s housing program, the use and operation of the Project must be restricted in certain respects; and

WHEREAS, the LACDA, the Trustee and the Borrower have determined to enter into this First Amendment to Regulatory Agreement in order to set forth, together with that certain Regulatory Agreement and Declaration of Restrictive Covenants, dated as of June 1, 2021 (the “Original Regulatory Agreement”), by and among the LACDA, the Trustee and the Borrower, certain terms and conditions relating to the acquisition, development and construction of the Project and in order to ensure that the Project will be used and operated in accordance with the Code, the Act and the additional requirements of the LACDA and the California Debt Limit Allocation Committee (“CDLAC”);

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the LACDA, the Trustee and the Borrower hereby agree as follows:

Section 1. Definitions and Interpretation. Except as otherwise provided in Section 1 of this First Amendment to Regulatory Agreement, all terms used herein which are defined in the Original Regulatory Agreement shall have the meanings assigned to them therein. Unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any supplement and amendment of the Original Regulatory Agreement have the meanings herein specified. All other capitalized terms used herein without definition shall have the meanings as set forth in the Indenture.

“*2020 CDLAC Resolution*” means CDLAC Resolution No. 20-170 adopted on December 9, 2020, attached to this Regulatory Agreement as Exhibit G and related to the Project, as such resolution may be modified or amended from time to time.

“*2023 CDLAC Resolution*” means CDLAC Resolution No. 23-233 adopted on November 8, 2023, attached to this Regulatory Agreement as Exhibit G-2 and related to the Project, as such resolution may be modified or amended from time to time.

“*2021 F-1 Bond*” means the LACDA’s Multifamily Housing Mortgage Revenue Bond (3rd and Dangler Apartments), 2021 Series F-1 (Tax-Exempt) in the maximum principal amount of \$22,000,000.

“*2021 F-2 Bond*” means the LACDA’s Multifamily Housing Mortgage Revenue Bond (3rd and Dangler Apartments), 2021 Series F-2 (Taxable) in the maximum principal amount of \$10,400,000.

“*2024 Bond*” means the LACDA’s Multifamily Housing Mortgage Revenue Bond (Las Dahlias), 2024 Series B in the maximum principal amount of \$4,800,000.

“*Bonds*” means, collectively, the 2021 F-1 Bond, the 2021 F-2 Bond and the 2024 Bond.

“*CDLAC Resolution*” means, as applicable, the 2020 CDLAC Resolution or the 2023 CDLAC Resolution.

“*CDLAC Resolutions*” means the 2020 CDLAC Resolution and the 2023 CDLAC Resolution.

“*Closing Date*” means, with respect to the 2021 F-1 Bond, the date upon which the Series F-1 Bond is initially funded in an amount equal to at least \$50,501, with respect to the 2021 F-2 Bond, the date upon which the Series F-2 Bond is initially funded in an amount equal to at least \$100, and with respect to the 2024 Bond, the date upon which the 2024 Bond is initially funded in an amount equal to at least \$50,501.

“*Determination of Taxability*” means either (a) refusal by the Borrower to consent to any amendment or supplement hereto or to the Indenture which, in the written opinion of Bond Counsel delivered to the LACDA, the Trustee, the Bondholder and the Borrower, is necessary or advisable to maintain the exclusion of interest on the 2021 F-1 Bond or the 2024 Bond from gross income for federal income tax purposes; or (b) any of (i) the enactment of applicable legislation of which the Trustee has actual knowledge, (ii) a final judgment or order of a court of original or appellate jurisdiction of which the Trustee has actual knowledge, (iii) a final ruling or decision of the Internal Revenue Service of which the Trustee has actual knowledge or (iv) the filing with the Trustee of an opinion of Bond Counsel, in each case to the effect that the interest on the 2021 F-1 Bond or the 2024 Bond (other than interest on the 2021 F-1 Bond or the 2024 Bond, as applicable, for any period during which such Bond is held by a “substantial user” of any facility financed with the proceeds of the 2021 F-1 Bond, the 2024 Bond or a “related person,” as such terms are used in Section 147(a) of the Code) is includable in the gross incomes of all recipients thereof for federal income tax purposes. With respect to the foregoing, a judgment or order of a court or a ruling or

decision of the Internal Revenue Service shall be considered final only if no appeal or action for judicial review has been filed and the time for filing such appeal has expired.

“*Loan*” means, as applicable, the loan of the sale proceeds of the respective Bonds by the LACDA to the Borrower pursuant to the Loan Agreement for the purpose of providing funds for the acquisition, development and construction of the Project.

“*Loans*” means the loans of the sale proceeds of the Bonds by the LACDA to the Borrower pursuant to the Loan Agreement for the purpose of providing funds for the acquisition, development and construction of the Project.

“*Qualified Project Costs*” means the Project Costs (excluding issuance costs) incurred not earlier than the date sixty (60) days prior to the Inducement Date which either constitute land or property of a character subject to the allowance for depreciation under Section 167 of the Code, or are chargeable to a capital account with respect to the Project for federal income tax and financial accounting purposes, or would be so chargeable either with a proper election by the Borrower or but for the proper election by the Borrower to deduct those amounts within the meaning of Section 1.103-8(a)(1)(i) of the Regulations; provided, however, that only such portion of the interest accrued on the 2021 F-1 Bond or the 2024 Bond during the acquisition, construction and equipping of the Project shall constitute Qualified Project Costs as bear the same ratio to all such interest or fees, as applicable, as the Qualified Project Costs bear to all Project Costs; and provided further that interest accruing on or after the Completion Date shall not be Qualified Project Costs; and provided finally that if any portion of the Project is being constructed by the Borrower or an Affiliated Party (whether as a general contractor or a subcontractor), “Qualified Project Costs” shall include only (a) the actual out of pocket costs incurred by the Borrower or such Affiliated Party in constructing the Project (or any portion thereof), (b) any reasonable fees for supervisory services actually rendered by the Borrower or such Affiliated Party (but excluding any profit component) and (c) any overhead expenses incurred by the Borrower or such Affiliated Party which are directly attributable to the work performed on the Project, and shall not include, for example, intercompany profits resulting from members of an affiliated group (within the meaning of Section 1504 of the Code) participating in the construction of the Project or payments received by such Affiliated Party due to early completion of the Project (or any portion thereof). Qualified Project Costs do not include Costs of Issuance, leasing commissions, costs of advertising for the Project or other costs related to the rental of units in the Project, or management fees for the management and operation of the Project. Notwithstanding anything herein to the contrary, no Project Costs relating to the acquisition of the Project or any assets relating thereto (including, without limitation, rights and interests with respect to development of the Project) shall constitute “Qualified Project Costs” unless, at the time the proceeds of the 2021 F-1 Bond or the 2024 Bonds, as applicable, are expended to pay such costs, the Borrower and the seller of such assets are not “related parties” as such term is defined in Section 1.150-1(b) of the Regulations.

“*Tax Certificate*” means, as applicable, the Tax Certificate relating to the 2021 F-1 Bond dated the Closing Date thereof, executed and delivered by the LACDA and the Borrower, as amended and supplemented, and/or the Tax Certificate relating to the 2024 Bond dated the Closing Date thereof, executed and delivered by the LACDA and the Borrower, as amended and supplemented.

“*Tax-Exempt*” means, with respect to interest on any obligations of a state or local government, including the 2021 F-1 Bond and the 2024 Bond, that such interest is excluded from gross income for federal income tax purposes (other than interest on the 2021 F-1 Bond or the 2024 Bond for any period during which the 2021 F-1 Bond or the 2024 Bond, as applicable, are held by a “substantial user” of any facility financed with the proceeds of the 2021 F-1 Bond or the 2024 Bond, as applicable, or a “related person,” as such terms are used in Section 147(a) of the Code); provided, however, that such interest may be includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax, under the Code.

Section 2. Amendment to Section 2. Section 2 of the Original Regulatory Agreement is amended and restated in its entirety as follows:

Section 2. Acquisition, Construction and Equipping of the Project. The Borrower hereby represents, covenants and agrees as of the applicable Closing Date with the LACDA and the Trustee as follows:

(a) The Borrower has incurred, or will incur within six (6) months after the Closing Date of the 2021F-1 Bond, a substantial binding obligation to expend at least five percent (5%) of the proceeds of the 2021F-1 Bonds on costs of the Project. The Borrower has incurred, or will incur within six (6) months after the Closing Date of the 2024 Bond, a substantial binding obligation to expend at least five percent (5%) of the proceeds of the 2024 Bond on costs of the Project.

(b) The Borrower’s reasonable expectations respecting the total cost of the acquisition and construction of the Project are accurately set forth in the Borrower Cost Certificate (the “Borrower Cost Certificate”) submitted to the LACDA on each applicable Closing Date.

(c) The Borrower has acquired the Project Site and will, within six (6) months following the Closing Date of the 2021F-1 Bond, commence the construction of the Project and will proceed with due diligence to complete the same. Notwithstanding anything herein to the contrary, no Project Costs relating to the acquisition of the Project or any assets relating thereto (including, without limitation, rights and interests with respect to development of the Project) shall constitute “Qualified Project Costs” unless, at the time proceeds of the 2021 F-1 Bond or the 2024 Bond, as applicable, are expended to pay such costs, the Borrower and the seller of such assets are not “related parties” as such term is defined in Section 1.150-1(b) of the Regulations. The Borrower reasonably expects to complete the acquisition and construction of the Project and to expend the full amount of the proceeds of each Loan for Project Costs prior to the date which is 30 months after the Closing Date of the 2021F-1 Bond or the Closing Date of the 2024 Bond, as applicable.

(d) The Borrower agrees that the full amount of each disbursement of proceeds of the 2021 F-1 Bond and the 2024 Bond pursuant to the Indenture and the Loan Agreement will be applied to pay or to reimburse the Borrower for the payment of Project Costs as set forth in the applicable Borrower Cost Certificate and that, after taking into account each such disbursement, (i) the aggregate disbursements of proceeds of the 2021 F-1 Bond and

the 2024 Bond, respectively, will have been applied to pay or to reimburse the Borrower for the payment of Qualified Project Costs in an aggregate amount equal to ninety-seven percent (97%) or more of the aggregate disbursements of the Loan; provided, however, that if the Borrower provides the Trustee with an opinion of Bond Counsel to the effect that the Tax-Exempt status of interest on the 2021 F-1 Bond or the 2024 Bond, as applicable, will not be adversely affected if less than the aforesaid percentage, but not less than ninety-five percent (95%), is disbursed for such purpose, then the certificate may refer to such lesser percentage as may be specified by Bond Counsel; and (ii) less than twenty-five percent (25%) of the proceeds of the 2021 F-1 Bond and the 2024 Bond, respectively, expended relative to the Project Site will be disbursed to pay or to reimburse the Borrower for the cost of acquiring land or rights with respect to land relative to the Project Site (exclusive of the cost of acquiring improvements on such land).

(e) No proceeds of the 2021 F-1 Bond will be used to pay or reimburse any cost (i) incurred more than sixty (60) days prior to the Inducement Date (except as permitted under the Code), or (ii) incurred more than three (3) years prior to such payment or reimbursement. Any allocation of proceeds of the 2021 F-1 Bond to the reimbursement of previously incurred costs shall be made not later than eighteen (18) months after the later of (i) the date the original expenditure was paid or (ii) the date the Project is placed in service or abandoned. The acquisition, construction and equipping of the Project by the Borrower commenced less than sixty (60) days prior to the Inducement Date, and as of sixty (60) days prior to the Inducement Date (A) neither the Borrower nor any related person (as such phrase is used in Section 144(a)(3) of the Code) has made any expenditure in connection with the acquisition, construction or equipping of the Project that will be reimbursed from 2021F-1 Bond proceeds (except as permitted under the Code), (B) no on-site work has been commenced by the Borrower or any related person in connection with the construction or equipping of the Project, and (C) no off site fabrication of any portion of the Project has been commenced by the Borrower or any related person. The Project consists, and shall at all times consist, of property which is land or is subject to the allowance for depreciation provided in Section 167 of the Code.

(f) The Borrower (and any Affiliated Party) will not take or omit to take, as is applicable, any action if such action or omission would in any way cause the proceeds from the Loan to be applied in a manner contrary to the requirements of this Regulatory Agreement, nor will it take or omit to take any such action if the Borrower (or any Affiliated Party) knows that such action or omission may cause the proceeds from the sale of the Bonds to be applied in a manner contrary to the Indenture, the Loan Agreement, the Act or the Code.

(g) The Borrower hereby represents and warrants that the Project is located entirely within the County.

(h) The Borrower shall, on the Completion Date, evidence the Completion Date by providing a Construction Completion Certificate to CDLAC, the Trustee and the LACDA, signed by the Authorized Borrower Representative. Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights of the Borrower against third parties for the payment of any amount not then due and payable

which exist at the date of such certificate or which may subsequently exist. The Construction Completion Certificate shall be delivered to the Trustee no later than the date thirty (30) months from the Closing Date of the 2021 F-1 Bond unless the Borrower delivers to the Trustee a certificate of the LACDA consenting to an extension of such date, accompanied by an opinion of Bond Counsel to the effect that such extension will not result in interest on the Bonds being included in gross income for federal income tax purposes.

(i) The Borrower agrees to spend additional moneys for payment of any costs of the Project sufficient to reduce the portion of proceeds of the 2021 F-1 Bond and the 2024 Bond (A) spent on land by the Borrower relative to the Project Site to an amount that is less than twenty-five percent (25%) of the amount of proceeds of the 2021 F-1 Bond and the 2024 Bond spent by the Borrower relative to the Project Site for all purposes and (B) spent on costs of the Project paid or incurred by or on account of the Borrower or any “related person” (as such term is used in Section 144(a)(3) of the Code) on or after the date sixty (60) days prior to the Inducement Date and chargeable to the capital account of the Project (or so chargeable either with a proper election by the Borrower to deduct such amounts, within the meaning of Treasury Regulation 1.103-8(a)(1)) so that the amount of proceeds of the 2021 F-1 Bond and the 2024 Bond expended on such Qualified Project Costs are at least ninety-seven percent (97%) of the amount of proceeds of the 2021 F-1 Bond and the 2024 Bond spent for all purposes related to the Project, except that, upon receipt by the Borrower, the Trustee and the LACDA of an approving opinion of Bond Counsel, the percentage of such amounts so used may be ninety-five percent (95%).

(j) Money on deposit in any fund or account in connection with the 2021 F-1 Bond or the 2024 Bond, whether or not such money was derived from other sources, shall not be used by or under the direction of the Borrower, in a manner which would cause the 2021 F-1 Bond or the 2024 Bond to be “arbitrage bonds” within the meaning of Section 148 of the Code, and the Borrower specifically agrees that the investment of money in any such fund shall be restricted as may be necessary to prevent the 2021 F-1 Bond or the 2024 Bond from being “arbitrage bonds” under the Code.

(k) No proceeds of the 2021 F-1 Bond or the 2024 Bond shall be expended to acquire any structures other than buildings within the meaning of Section 147(d) of the Code.

(l) For the greatest number of buildings the proceeds of the 2021 F-1 Bond and 2024 Bonds shall be deemed allocated on a pro rata basis to each building in the Project and the land on which it is located so that each building and the land on which it is located will have been financed fifty percent (50%) or more by the proceeds of the 2021 F-1 Bond and 2024 Bonds for the purpose of complying with Section 42(h)(4)(B) of the Code and the Borrower further covenants that it will not exercise any option to redeem the Bonds under the Indenture except upon the express written consent of the Investor Limited Partner; provided, however, the foregoing representation, covenant and warranty is made for the benefit of the Borrower and its partners and neither the Trustee nor the LACDA shall have any obligation to enforce this covenant nor shall they incur any liability to any person, including without limitation, the Borrower, the partners of the Borrower, any other affiliate of the Borrower or the holders of the Bonds for any failure to meet the intent

expressed in the foregoing representation, covenant and warranty; and provided further, failure to comply with this representation, covenant and warranty shall not constitute a default or "Event of Default" under this Agreement or the Indenture.

Section 3. Amendment to Sections 5, 6, 8, 9, 11, 13, 14, 18, 22 and 30. Sections 5, 6, 8, 9, 11, 13, 14, 18, 22 and 30 of the Original Regulatory Agreement is amended such that each reference to the 2021 F-1 Bond shall be deemed to be a reference to the 2021 F-1 Bond and the 2024 Bond, respectively.

Section 4. Amendment to Section 7(l). Section 7(l) of the Original Regulatory Agreement is amended and restated in its entirety as follows:

(l) The Borrower shall pay to the LACDA its initial fee on the Closing Date of each series of Bonds and thereafter pay to the LACDA its ongoing fees with respect to the issuance of the Bonds as follows. The Borrower shall pay the LACDA an initial fee immediately upon issuance of each series of Bonds equal to twenty-five (25) basis points of the original principal amount of the Bonds issued. In addition, the Borrower shall, as compensation for the LACDA's monitoring of the provisions of this Regulatory Agreement, pay to the LACDA, annually in advance, (i) on the anniversary of the Closing Date for each series of Bonds for the period from the date of issuance of such Bonds through the Conversion Date (as applicable), an annual amount equal to 0.125% of the original principal amount of the Bonds and (ii) from the Conversion Date (as applicable) through the later of (i) the end of the Qualified Project Period or (ii) the termination of the CDLAC Conditions, an annual amount equal to the greater of 0.125% of the outstanding principal amount of each series of Bonds as of the applicable Conversion Date or \$6,000, or such lesser amount as shall be necessary in the opinion of Bond Counsel to preserve the exemption of interest on the F-1 Bond and the 2024 Bond from gross income for federal income tax purposes. Throughout the term of this Agreement, the LACDA or the Trustee, as applicable, shall provide an invoice to the Borrower at least thirty (30) days prior to the due date of each such payment (and if applicable, a copy of which shall be provided to the LACDA) and shall collect such payments from the Borrower and immediately remit such funds to the LACDA. In the event of any prepayment of a series of Bonds in whole, prior to the later of (i) the end of the Qualified Project Period or (ii) the termination of the CDLAC Conditions, the Borrower, at its election, shall either (A) pay to the LACDA, on or before such payment, an amount equal to the present value of the remaining LACDA fees payable hereunder, as calculated by the LACDA, using a discount rate equal to the yield on the date of prepayment on the United States treasury security maturing on the date nearest the later of (1) the end of the Qualified Project Period or (2) the termination of the CDLAC Conditions, or such lesser amount as shall be necessary in the opinion of Bond Counsel to preserve the exemption of interest on the 2021 F-1 Bond and the 2024 Bond from gross income for federal income tax purposes; or (B) pay directly to the LACDA on an annual basis, in advance on the anniversary of the Closing Date, the annual fee described above. The Borrower shall not be required to pay the fee described in the preceding sentence if the Bonds are prepaid in whole under circumstances which permit termination of this Regulatory Agreement pursuant to Section 14 hereof. The Borrower shall also pay to the LACDA, thirty (30) days after receipt of request for payment thereof from the LACDA, all reasonable out of pocket expenses of the LACDA (not including salaries and

wages of LACDA employees) related to the Project and the financing thereof that are not otherwise required to be paid by the Borrower under the terms of this Regulatory Agreement or the Loan Agreement, including, without limitation, reasonable legal fees and expenses incurred in connection with the interpretation, performance, enforcement or amendment of any documents relating to the Project, the Loans or the Bonds. Notwithstanding any prepayment of the Loan and notwithstanding a discharge of the Bonds, the Borrower shall continue to pay (or, to the extent allowed under the Code, may prepay the present value at such time, computed based on the yield of the 2021 F-1 Bond and the 2024 Bond) the LACDA's fees, unless such prepayment is made in connection with a refunding of such Bonds. Notwithstanding any prepayment of the Loan, the Borrower shall continue to pay to the LACDA all fees, losses and expenses required under the Loan Agreement and the Indenture as provided therein. The fees payable hereunder shall be reduced as and to the extent necessary to comply with the requirements of the Code.

Section 5. Amendment to Section 23. Section 23 is amended to restate the notice addresses and addressees for the LACDA and the Trustee as follows:

If to LACDA: Los Angeles County Development Authority
700 West Main Street
Alhambra, CA 91801 3312
Attention: Matthew Lust and Vittorio Banez
Telephone: (626) 262 4511
Facsimile: (626) 943 3818

If to the Trustee: U.S. Bank National Association
633 West 5th Street, 24th Floor
Los Angeles, CA 90071
Attention: Global Corporate Trust
LACDA MF (3rd and Dangler) 2021 Series F-1/A-2 and
LACDA MF (Las Dahlias) 2024 Series B
Telephone: (213) 615 6032
Facsimile: (213) 615 6199

Section 6. Amendment to Exhibit G. Exhibit G of the Original Regulatory is amended by the addition of the Exhibit B attached hereto, which shall constitute Exhibit G-2 of the Regulatory Agreement.

Section 7. Amendment to Exhibit I. Exhibit I of the Original Regulatory is amended by the addition of the Exhibit C attached hereto, which shall constitute Exhibit I-2 of the Regulatory Agreement.

Section 8. Amendment to Exhibit J. Exhibit J of the Original Regulatory is amended by the addition of the Exhibit D attached hereto, which shall constitute Exhibit J-2 of the Regulatory Agreement.

Section 9. Effect of First Amendment to Regulatory Agreement. This First Amendment to Regulatory Agreement and all of the terms and provisions herein contained shall form part of the Original Regulatory Agreement as fully and with the same effect as if all such terms and provisions had been set forth in the Original Regulatory Agreement. The Original Regulatory Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this First Amendment to Regulatory Agreement and the terms of the Original Regulatory Agreement (as in effect on the day prior to the effective date of this First Amendment to Regulatory Agreement), the terms of this First Amendment to Regulatory Agreement shall prevail.

Section 10. Binding Effect. This First Amendment to Regulatory Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

Section 11. Severability. In the event any provision of this First Amendment to Regulatory Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 12. Execution in Counterparts. This First Amendment to Regulatory Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 13. Applicable Law. This First Amendment to Regulatory Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and performed in such State.

Section 14. Effective Date. This First Amendment to Regulatory Agreement shall become effective upon its execution on the date first written above.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the LACDA, the Trustee and the Borrower have executed this First Amendment to Regulatory Agreement by duly authorized representatives, all as of the date first above written.

LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY

By: _____
Executive Director or Designee

Print Name

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Name:
Title:

3RD & DANGLER LP,
a California limited partnership

By: NCRC Dangler LLC,
a California limited liability company,
its managing general partner

By: National Community Renaissance of California,
a California nonprofit public benefit
corporation, its sole member and manager

By: _____
Michael Finn, Chief Financial Officer

NOTARY ACKNOWLEDGMENT STATEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.
--

State of California)

County of _____)

On _____, before me, _____ ,

(here insert name and title of the officer), personally appeared

_____ (name(s) of

signers), 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 _____ [SEAL]

NOTARY ACKNOWLEDGMENT STATEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____, before me, _____ ,

(here insert name and title of the officer), personally appeared _____ (name(s) of

signers), 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 _____ [SEAL]

NOTARY ACKNOWLEDGMENT STATEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____, before me, _____ ,

(here insert name and title of the officer), personally appeared _____ (name(s) of

signers), 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 _____ [SEAL]

EXHIBIT A

DESCRIPTION OF PROJECT SITE

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1 (APN: 5250-017-900):

LOTS 20 AND 21 OF TRACT NO. 7635, IN THE UNINCORPORATED AREA OF THE LOS ANGELES COUNTY, STATE OF CALIFORNIA, FILED IN BOOK 170, PAGE 50 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2 (APN: 5250-017-901):

LOT 23 OF TRACT NO. 7635, IN THE UNINCORPORATED AREA OF LOS ANGELES COUNTY, STATE OF CALIFORNIA, FILED IN BOOK 170, PAGE 50 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS, AND OTHER HYDROCARBON SUBSTANCES AS RESERVED BY EDWARD M. LOFTUS AND HENRIETTA S. LOFTUS IN THE DEED RECORDED JUNE 28, 1946 AS INSTRUMENT NO. 1049, IN BOOK 23383, PAGE 66 OF OFFICIAL RECORDS.

PARCEL 3 (APN: 5250-017-902):

LOT 24 OF TRACT NO. 7635, IN THE UNINCORPORATED AREA OF LOS ANGELES COUNTY, STATE OF CALIFORNIA, FILED IN BOOK 170, PAGE 50 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS, AND OTHER HYDROCARBON SUBSTANCES AS RESERVED BY EDWARD M. LOFTUS AND HENRIETTA S. LOFTUS IN THE DEED RECORDED JUNE 28, 1946 AS INSTRUMENT NO. 1049, IN BOOK 23383, PAGE 66 OF OFFICIAL RECORDS.

PARCEL 4 (APN: 5250-017-903):

LOTS 18 AND 19 OF TRACT NO. 7635, IN THE UNINCORPORATED AREA OF LOS ANGELES COUNTY, STATE OF CALIFORNIA, FILED IN BOOK 170, PAGE 50 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 5 (APN: 5250-017-904):

LOT 22 OF TRACT NO. 7635, IN THE UNINCORPORATED AREA OF LOS ANGELES COUNTY, STATE OF CALIFORNIA, FILED IN BOOK 170, PAGE 50 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS, AND OTHER HYDROCARBON SUBSTANCES AS RESERVED BY EDWARD M. LOFTUS AND HENRIETTA S. LOFTUS IN THE DEED RECORDED JUNE 28, 1946 AS INSTRUMENT NO. 1049, IN BOOK 23383, PAGE 66 OF OFFICIAL RECORDS.

PARCEL 6 (APN: 5250-017-034): (NEW: 5250-017-906)

LOT 17 OF TRACT NO. 7635, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 170, PAGE 50 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS, AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND LYING BELOW A FROM THE SURFACE, WITHOUT HOWEVER, THE RIGHT OF SURFACE ENTRY, AS RESERVED IN A DEED RECORDED JUNE 28, 1946 AS INSTRUMENT NO. 1049, IN BOOK 23383, PAGE 66 OF OFFICIAL RECORDS.

Street Address of Property

4655 E. 3rd Street, Los Angeles, California 90022

EXHIBIT B

(Constituting Exhibit G-2 of the Regulatory Agreement)

EXHIBIT G-2

2023 CDLAC RESOLUTION

EXHIBIT C

(Constituting Exhibit I-2 of the Regulatory Agreement)

EXHIBIT I-2

FORM OF CONSTRUCTION COMPLETION CERTIFICATE

1) Project Name: Las Dahlias

(If project name has changed since the award of allocation please note the original project name as well as the new project name and request a change in the CDLAC resolution.)

Original: _____

2) CDLAC Application No.: _____

3) Name of Bond Issuer: Los Angeles County Development Authority

4) Name of Borrower: 3rd & Dangler LP

(If Borrower has changed name since the award please note the original Borrower as well as the new Borrower and request a change in the CDLAC resolution.)

Original: _____

5) The undersigned hereby certifies that all work on the Project was substantially completed as of _____, 20____

The undersigned hereby further certifies that:

(a) the aggregate amount disbursed on the Loan to date is \$[_____]

(b) all amounts disbursed from proceeds of the Bonds have been applied to pay or reimburse the undersigned for the payment of Project Costs (as that term is used in the Regulatory Agreement) and none of the amounts disbursed from the proceeds of the Bonds have been applied to pay or reimburse any party for the payment of costs or expenses other than Project Costs; and

(c) at least 95 percent of the amounts disbursed from the proceeds of the Bonds have been applied to pay or reimburse the Borrower for the payment of Qualified Project Costs (as that term is used in the Regulatory Agreement) and less than 25% of the amounts disbursed from the proceeds of the Bonds, exclusive of amounts applied to pay the costs of issuing the Bonds, have been applied to pay or reimburse the Borrower for the cost of acquiring land.

6) The undersigned hereby certifies the Project meets the general federal rule for a Qualified Project Period.

No _____ Yes _____

(a) 10% of the dwelling units in the Project financed in part from the proceeds of the 2024 Bond were first occupied on _____, 20____ and

(b) 50% of the dwelling units in the Project financed in part from the proceeds of the 2024 Bond were first occupied on _____, 20__.

7) If no to (6), the undersigned hereby certifies the Project meets the special federal rule for a Qualified Project Period.

No _____ Yes _____

(Project qualifies if it is an acquisition/rehabilitation where no more than 90% of the units were not available for occupancy within sixty (60) days of the earlier of the Project acquisition or the 2024 Bond issuance date.)

(a) 2024 Bond was issued on _____, 20__

(b) Property was acquired on _____, 20__

(c) The date 10% of the units were available to occupy (within sixty (60) days of the earlier of the acquisition or bond issuance) is _____, 20__

Signature of Officer

Date

Printed Name of Officer

Title of Officer

Phone Number

EXHIBIT D

(Constituting Exhibit J-2 of the Regulatory Agreement)

EXHIBIT J-2

FORM OF CERTIFICATE OF QUALIFIED PROJECT PERIOD

Project Name: Las Dahlias

(If project name has changed since the award of allocation please note the original project name as well as the new project name and request a change in the CDLAC resolution.)

CDLAC Application No.: _____

Name of Bond Issuer: Los Angeles County Development Authority

Name of Borrower 3rd & Dangler LP

(If Borrower has changed since the award please note the original Borrower as well as the new Borrower and request a change in the CDLAC resolution.)

Project meets the general federal rule for a Qualified Project Period

Yes _____ No _____

(a) 10% of the dwelling units in the project financed in part from the proceeds of the captioned 2024 Bond were first occupied on _____, 20__; and

(b) 50% of the dwelling units in the project financed in part from the proceeds of the captioned 2024 Bond were first occupied on _____, 20__.

Project meets the special federal rule for a Qualified Project Period.

Yes _____ No _____

(Project qualifies if it is an acquisition/rehabilitation where more than 90% of the units were not available for occupancy within sixty (60) days of the earlier of the project acquisition or the Bonds Issuance Date.)

(a) 2024 Bond was issued on _____, 20__

(b) Date 12 months after the 2024 Bond Issuance Date _____, 20__

Signature of Officer

Printed Name of Officer

Title of Officer

Phone Number

FIRST SUPPLEMENTAL INDENTURE

By and between

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

and

U.S. BANK NATIONAL ASSOCIATION, as Trustee

Dated as of [As of Date]

relating to

**Los Angeles County Development Authority
Multifamily Housing Mortgage Revenue Bonds
(Las Dahlias)
2024 Series B**

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS

Section 1.1.	Definitions.....	3
--------------	------------------	---

ARTICLE II

AMENDMENTS TO ORIGINAL INDENTURE

Section 2.1.	Amendment to Section 4.1(a)	5
Section 2.2.	Amendment to Section 4.1(g)	6
Section 2.3.	Amendment to Section 4.2.....	6
Section 2.4.	Amendment to Section 5.5.....	6
Section 2.5.	Amendment to Section 5.8.....	7
Section 2.6.	Amendment to Section 5.9.....	7
Section 2.7.	Amendment to Section 6.2.....	7
Section 2.8.	Amendment to Section 7.6.....	8
Section 2.9.	Amendment to Section 7.7.....	8
Section 2.10.	Amendment to Section 9.6.....	11
Section 2.11.	Amendment to Section 10.4.....	12
Section 2.12.	Amendment to Section 13.2.....	13
Section 2.13.	Amendment to Exhibit A	14
Section 2.14.	Amendment to Exhibit B	14

ARTICLE III

MISCELLANEOUS

Section 3.1.	Effect of First Supplemental Indenture.....	14
Section 3.2.	Binding Effect.....	14
Section 3.3.	Severability	15
Section 3.4.	Execution in Counterparts.....	15
Section 3.5.	Applicable Law	15
Section 3.6.	Effective Date	15

EXHIBIT A-2 – Form of Series 2024 Bond

EXHIBIT B-2 – Form of Written Requisition of
the Borrower-Project Fund for Series 2024 Bond

FIRST SUPPLEMENTAL INDENTURE

This First Supplemental Indenture, dated as of [As of Date] (this “First Supplemental Indenture”), is entered into by the LOS ANGELES COUNTY DEVELOPMENT AUTHORITY, a public body, corporate and politic, organized and existing under the laws of the State of California (together with its successors and assigns, the “LACDA”), and U.S. BANK NATIONAL ASSOCIATION, a national banking association (together with any successor trustee thereunder, the “Trustee”).

RECITALS

WHEREAS, pursuant to Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California (the “Act”), the LACDA is empowered to issue Bonds and other evidence of indebtedness to finance the acquisition, rehabilitation and development of multifamily rental housing; and

WHEREAS, the Act authorizes the LACDA (a) to make loans to any person to provide financing for rental residential developments located within the jurisdiction of the LACDA, in this instance specifically the County of Los Angeles (the “Sponsoring Political Subdivision”), and intended to be occupied at least in part by persons of low and moderate income, as determined by the LACDA; (b) to issue its revenue Bonds for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with the issuance of such Bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the LACDA, including the revenues and receipts to be received by the LACDA from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the LACDA in order to secure the payment of the principal or redemption price of and interest on such Bonds; and

WHEREAS, 3rd & Dangler LP (the “Borrower”), previously requested the LACDA to issue revenue bonds designated as the Multifamily Housing Mortgage Revenue Bond (3rd and Dangler Apartments), 2021 Series F-1 (Tax-Exempt) (the “Series F-1 Bond”) and the Multifamily Housing Mortgage Revenue Bond (3rd and Dangler Apartments) 2021 Series F-2 (Taxable) (the “Series F-2 Bond” and, together with the Series F-1 Bond and the Series F-2 Bond, the “2021 Bonds”) and to loan the proceeds from the sale thereof (the “2021 Loan”) to the Borrower to finance the acquisition, development and construction of a multifamily rental housing development located in the County of Los Angeles, previously known as 3rd and Dangler Apartments and now renamed as Las Dahlias (the “Project”); and

WHEREAS, the LACDA issued the 2021 Bonds pursuant to the Trust Indenture, dated as of June 1, 2021 (the “Original Indenture”), by and between the LACDA and the Trustee; and

WHEREAS, simultaneously with the delivery of the Original Indenture, the LACDA and the Borrower entered into a Loan Agreement dated as of June 1, 2021 (the “Original Loan Agreement”), whereby the Borrower agreed to make loan payments to the LACDA in an amount which, when added to other funds available under the Original Indenture, will be sufficient to pay the Bond Obligations (as defined herein) and to pay all costs and expenses related thereto when due; and

WHEREAS, to evidence its payment obligations under the Original Loan Agreement, the Borrower executed and delivered a Construction and Permanent Loan Promissory Note (Tax-Exempt) (the “Series F-1 Note”) and a Construction Loan Promissory Note (Taxable) (the “Series F-2 Note” and, together with the Series F-1 Note, the “Borrower 2021 Notes”), and the obligations of the Borrower under the Borrower 2021 Notes are secured by a lien on and security interest in the Project pursuant to a Construction and Permanent Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing, dated as of June 1, 2021 (the “Original Mortgage”) to the Trustee, made by the Borrower in favor of the LACDA and assigned to the Trustee; and

WHEREAS, the Borrower has requested the LACDA to issue additional revenue bonds designated as the Multifamily Housing Mortgage Revenue Bond (Las Dahlias), 2024 Series B (the “Series 2024 Bond”) and to loan the proceeds from the sale thereof (the “2024 Loan”) to the Borrower to provide additional financing for the acquisition, development and construction of the Project; and

WHEREAS, Section 12.1 of the Original Indenture provides for the execution of a Supplemental Indenture (as defined in the Original Indenture) for the issuance of additional bonds secured by the Trust Estate, with the consent of all Bondholders and the Borrower; and

WHEREAS, the LACDA has agreed to issue the Series 2024 Bond pursuant to the Original Trust Indenture, as supplemented by this First Supplemental Indenture (collectively, and as same may be further amended and supplemented, the “Indenture”); and

WHEREAS, simultaneously with the delivery this First Supplemental Indenture, the LACDA and the Borrower will enter into a First Amendment to Loan Agreement, dated as of [As of Date] (the “First Amendment to Loan Agreement” and, together with the Original Loan Agreement and as same may be further amended and supplemented, the “Loan Agreement”), whereby the Borrower agrees to make additional loan payments to the LACDA in an amount which, when added to other funds available under the Indenture, will be sufficient to pay the Bond Obligations (as defined herein) and to pay all costs and expenses related thereto when due; and

WHEREAS, to evidence its payment obligations under the Loan Agreement, the Borrower will execute and deliver a Promissory Note (the “Series 2024 Note”), and the obligations of the Borrower under the Series 2024 Note are secured by a lien on and security interest in the Project pursuant to a [First Amendment to Construction and Permanent Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing, dated as of June 1, 2021 (the “First Amendment to Mortgage” and, together with the Original Mortgage and as further amended and supplemented, the “Mortgage”) to the Trustee, made by the Borrower in favor of the LACDA and assigned to the Trustee; and

WHEREAS, all Bondholders and the Borrower have consented to this First Supplemental Indenture pursuant to Section 12.1 of the Original Indenture and agreed to provide for the First Amendment to Loan Agreement pursuant to Section 8.5 of the Original Loan Agreement; and

WHEREAS, all things necessary to make the Series 2024 Bond, when authenticated by the Trustee and issued as provided in the Indenture, valid, binding and legal limited obligations of the

LACDA and to constitute the Indenture a valid and binding agreement securing the payment of the principal of, premium, if any, and interest on the Series 2024 Bond to be issued under the Indenture, have been done and performed and the execution and delivery of this First Supplemental Indenture and the execution and issuance of the Series 2024 Bond, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Except as otherwise provided in Section 1.1 of this First Supplemental Indenture, all terms used herein which are defined in the Original Indenture shall have the meanings assigned to them therein. Unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any supplement and amendment of the Original Indenture have the meanings herein specified. All other capitalized terms used herein without definition shall have the meanings as set forth in the Original Indenture.

“Authorized Amount” shall mean, with respect to the Series F-1 Bond, \$22,000,000, the maximum principal amount of Series F-1 Bond authorized to be issued under this Indenture in accordance with Section 4.1, with respect to the Series F-2 Bond, \$10,400,000, the maximum principal amount of Series F-2 Bond authorized to be issued under this Indenture in accordance with Section 4.1, and with respect to the Series 2024 Bond, \$4,800,000, the maximum principal amount of 2024 Bond authorized to be issued under this Indenture in accordance with Section 4.1.

“Bond Payment Date” shall mean the tenth day of each month, commencing on July 10, 2021, with respect to the Series F-1 Bond and the Series F-2 Bond and commencing on [2024 Bond First Interest Payment Date] with respect to the Series 2024 Bond, and the Maturity Date.

“Bonds” shall mean, collectively, the Series F-1 Bond, the Series F-2 Bond and the Series 2024 Bond.

“Bond Year” shall mean the one-year period beginning on June 1 in each year and ending May 31 in the following year, except that the first Bond Year shall begin on the Closing Date for the Series F-1 Bond and the Series F-2 Bond and end on May 31, 2022.

“Closing Date” shall mean, as applicable, June 9, 2021, with respect to the Series F-1 Bond and the Series F-2 Bond, and [2024 Closing Date], with respect to the Series 2024 Bond.

[“Construction and Permanent Loan Agreement” shall mean that Construction and Permanent Loan Agreement, dated as of the date hereof, between the Borrower and the Bondholder Representative, as same may be amended and supplemented from time to time.]

["Construction Term Maturity Date" shall have the meaning set forth in the Construction and Permanent Loan Agreement.]

"Determination of Taxability" shall mean, (a) a determination by the Commissioner or any District Director of the Internal Revenue Service, (b) a private ruling or Technical Advice Memorandum issued by the National Office of the Internal Revenue Service in which LACDA and Borrower were afforded the opportunity to participate, (c) a determination by any court of competent jurisdiction, (d) the enactment of legislation or (e) receipt by Trustee or Bondholder Representative, at the request of LACDA, Borrower, Trustee or Bondholder Representative, of an opinion of Bond Counsel, in each case to the effect that the interest on the Series F-1 Bond or the Series 2024 Bond is includable in gross income for federal income tax purposes of any Bondholder or any former Bondholder, other than a Bondholder who is a "substantial user" of the Project or a "related person" (as such terms are defined in Section 147(a) of the Code); provided, however, that no such Determination of Taxability under clause (a) or (c) shall be deemed to have occurred if the LACDA (at the sole expense of the Borrower) or the Borrower is contesting such determination, has elected to contest such determination in good faith and is proceeding with all applicable dispatch to prosecute such contest until the earliest of (i) a final determination from which no appeal may be taken with respect to such determination, (ii) abandonment of such appeal by the LACDA or the Borrower, as the case may be, or (iii) one year from the date of initial determination.

["Initial Project Fund Deposits" shall mean the initial deposits to the Project Fund to be made pursuant to Section 6.2(a) hereof.]

"Loan Amount" shall mean, with respect to the Series F-1 Bond, the maximum principal amount of \$22,000,000, with respect to the Series F-2 Bond, the maximum principal amount of \$10,400,000 and with respect to the Series 2024 Bond, the maximum principal amount of \$4,800,000.

"Maturity Date" shall mean, with respect to the Series F-1 Bond, July 9, 2042, with respect to the Series F-2 Bond, July 9, 2025, and with respect to the Series 2024 Bond, [2024 Bond Maturity Date].

"Notes" shall mean the Series F-1 Note, the Series F-2 Note and the Series 2024 Note.

"Rebate Amount" shall mean, for any given period, the amount determined by the Rebate Analyst as required to be rebated or paid as a yield reduction payment to the United States of America with respect to the Series F-1 Bond and the Series 2024 Bond.

"Rebate Analyst's Fee" shall mean the annual fee of the Rebate Analyst in the amount of \$1,000 with respect to the Series F-1 Bond and \$1,000 with respect to the Series 2024 Bond. The Rebate Analyst's Fee is payable by the Trustee to the Rebate Analyst upon receipt of an invoice from the Expense Fund, commencing June 1, 2024, every fifth anniversary thereof, and the Maturity Date with respect to the Series F-1 Bond and commencing [first day of the month three years from the closing date], every fifth anniversary thereof, and the Maturity Date with respect to the Series 2024 Bond.

“Resolution” shall mean, as applicable, the resolution of the LACDA adopted on May 18, 2021, authorizing the issuance of the Series F-1 Bond and the Series F-2 Bond and the resolution of the LACDA adopted on [February 20, 2024], authorizing the issuance of the Series 2024 Bond.

“Series F-1 Note” shall mean the Construction and Permanent Loan Promissory Note dated the Closing Date in the aggregate stated principal amount of the Loan Amount relating to the Series F-1 Bond and executed by the Borrower in favor of the LACDA, as assigned to the Trustee, as amended and supplemented.

“Series F-2 Note” shall mean the Promissory Note dated the Closing Date in the aggregate stated principal amount of the Loan Amount relating to the Series F-2 Bond and executed by the Borrower in favor of the LACDA, as assigned to the Trustee, as amended and supplemented.

“Series 2024 Bond” means the LACDA’s Multifamily Housing Mortgage Revenue Bond (Las Dahlias) 2024 Series B issued in the maximum principal amount of \$4,800,000.

“Series 2024 Note” shall mean the Promissory Note dated the Closing Date in the aggregate stated principal amount of the Loan Amount relating to the Series 2024 Bond and executed by the Borrower in favor of the LACDA, as assigned to the Trustee, as amended and supplemented.

“Tax Certificate” shall mean, as applicable, the Tax Certificate dated the Closing Date executed and delivered by the LACDA and the Borrower, together with the Borrower Cost Certificate dated the Closing Date, executed and delivered by the Borrower, in connection with the Series F-1 Bond and the Series 2024 Bond, respectively.

[“Trustee’s Fee” shall mean the annual fee of the Trustee in the amount of \$3,500. The Trustee’s Fee is payable on the Closing Date and annually in advance thereafter from the Expense Fund on each June 1, commencing on June 1, 2021, so long as the Bonds are Outstanding.]

ARTICLE II

AMENDMENTS TO ORIGINAL INDENTURE

Section 2.1. Amendment to Section 4.1(a). Section 4.1(a) of the Original Indenture is amended and restated in its entirety to read as follows:

(a) There is hereby authorized, established and created an issue of Bonds of the LACDA to be known and designated as the “Multifamily Housing Mortgage Revenue Bond (3rd and Dangler Apartments) 2021 Series F-1 (Tax-Exempt)” and an issue of Bonds of the LACDA to be known and designated as the “Multifamily Housing Mortgage Revenue Bond (3rd and Dangler Apartments) 2021 Series F-2 (Taxable).” There is further authorized, established and created an issue of Bonds of the LACDA to be known and designated as the “Multifamily Housing Mortgage Revenue Bond (Las Dahlias) 2024 Series B.” The total principal amount of the Bonds that may be issued hereunder is hereby expressly limited to the Authorized Amount. No Bonds may be issued under the provisions of this Indenture except in accordance with this Article. The Bonds of each series shall be issuable as a single bond in the respective maximum Authorized Amount. The Bonds shall

be issuable as a registered Bond without coupons. The Bonds shall be numbered consecutively from 1 upwards. The Bonds shall be dated the Closing Date and shall mature on the respective Maturity Date.

Section 2.2. Amendment to Section 4.1(g). Section 4.1(g) of the Original Indenture is amended and restated in its entirety to read as follows:

Draw Down Bonds. The Bond Purchaser shall fund the additional purchase price of the Bonds from time to time in accordance with the Construction and Permanent Loan Agreement to provide funds for deposit in the Project Fund, including in the Capitalized Interest Account. The initial purchase of each series of Bonds by the Bond Purchaser on the Closing Date will be in an amount not less the related Initial Project Fund Deposit. Thereafter, all additional purchase price of the Bonds in accordance with the Construction and Permanent Loan Agreement shall first be made of the Series F-1 Bond until the maximum principal amount of the Series F-1 Bond are issued, and thereafter, any additional purchase of the Bonds in accordance with the Construction and Permanent Loan Agreement shall be made of the Series F-2 Bond until the maximum principal amount of Series F-2 Bond are issued. Additional purchase of the Bonds in accordance with the Construction and Permanent Loan Agreement shall be made of the Series 2024 Bond until the maximum principal amount of 2024 Bond are issued as instructed by the Borrower pursuant to its Written Requisition. Amounts funded shall be noted by the Trustee in the Bond recordkeeping system maintained by the Trustee. Upon deposit by the Bond Purchaser of money in the Project Fund, including in the Capitalized Interest Account, the aggregate amount of Bonds purchased shall be increased in such amount and the Bonds will be Outstanding in the aggregate amount of such deposits (subject to any redemptions of such Bonds) and such Bonds shall accrue interest as provided herein. In no event shall the purchase of the Series F-1 Bonds be funded after December 31, 2024 and in no event shall the purchase of the Series F-1 Bonds be funded after December 31, 2027.

Section 2.3. Amendment to Section 4.2. Section 4.2 of the Original Indenture is amended and restated in its entirety to read as follows:

The Series F-1 Bond and the Series F-2 Bonds and the certificate of authentication thereof shall be substantially in the form set forth in Exhibit A attached hereto, and the Series 2024 Bond and the certificate of authentication thereof shall be substantially in the form set forth in Exhibit A-2 attached hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture. The Bonds may be typewritten, printed, engraved, lithographed or otherwise produced.

Section 2.4. Amendment to Section 5.5. Section 5.5 of the Original Indenture is amended and restated in its entirety to read as follows:

Each of the Series F-1 Bond and the Series 2024 Bond shall be subject to redemption in part on each Bond Payment Date following their respective Conversion in the amounts and on the dates set forth in the Mandatory Sinking Fund Redemption Schedule attached to the Series F-1 Bond and the Series 2024 Bond, respectively, at a redemption price equal to the principal amount of the Series F-1 Bond or the Series 2024 Bond, as applicable, to be

redeemed plus accrued but unpaid interest to the date of redemption, from amounts paid by the Borrower as principal under the Series F-1 Bond or the Series 2024 Bond, as applicable.

If less than all of the Bonds of a Series have been redeemed other than from sinking fund installments applicable to such Bonds, the principal amount of the Bonds of such Series to be redeemed in each month from sinking fund installments shall be decreased pro rata among all sinking fund installments applicable to such Bonds of a Series. Any such reduction in sinking fund installments shall be confirmed in writing by the Trustee to the Bondholder Representative and a new Mandatory Sinking Fund Redemption Schedule shall be provided by the Bondholder Representative to the Trustee.

Section 2.5. Amendment to Section 5.8. Section 5.8 of the Original Indenture is amended and restated in its entirety to read as follows:

The Series F-1 Bond shall be redeemed in whole but not in part at the Redemption Price upon the Written Direction of the LACDA with the prior written consent of the Bondholder Representative as soon as possible under this Indenture following the Trustee's receipt of such Written Direction following a Determination of Taxability.

Section 2.6. Amendment to Section 5.9. Section 5.9 of the Original Indenture is amended by the addition of the following as subsection (c) thereunder:

(c) The Series 2024 Bond shall be subject to mandatory redemption in whole on the Construction Term Maturity Date (as defined in the 2024 Note) or, if the corresponding loan has been extended to the Permanent Term (as defined in the 2024 Note), on the Permanent Term Maturity Date (as defined in the 2024 Note) or any subsequent date up to and including the Maturity Date for the Series 2024 Bond as permitted by the 2024 Note, upon which date the Series 2024 Bond and all sums payable to the Owner shall be immediately due and payable.

Section 2.7. Amendment to Section 6.2. Section 6.2 of the Original Indenture is amended and restated in its entirety to read as follows:

(a) The Trustee shall deposit the proceeds derived from sale of the Series F-1 Bond and the Series F-2 Bond and amounts received from or on behalf of the Borrower, as follows:

(i) On the Closing Date for the Series F-1 Bond and the Series F-2 Bond, the Trustee shall deposit the proceeds from the sale of each series Bonds in the aggregate amount of \$1,016,865.91 into the Project Fund and transfer such amount to Fidelity National Title Insurance Company pursuant to the Written Requisition of the Borrower dated the date of Closing and from amounts received from Fidelity National Title Insurance Company, the Trustee shall deposit \$8,000 into the Costs of Issuance Fund;

(ii) Subsequent to the Closing Date for the Series F-1 Bond and the Series F-2 Bond, from amounts derived from the proceeds of future draws on the Bonds, the Trustee shall deposit such amounts in the Project Fund.

(b) The Trustee shall deposit the proceeds derived from sale of the Series 2024 Bond and amounts received from or on behalf of the Borrower, as follows:

- (i) On the Closing Date for the Series 2024 Bond, the Trustee shall deposit the proceeds from the sale of each series Bonds in the aggregate amount of \$[Initial Draw] into the Project Fund and transfer such amount to Fidelity National Title Insurance Company pursuant to the Written Requisition of the Borrower dated the date of Closing and from amounts received from Fidelity National Title Insurance Company, the Trustee shall deposit \$[COI Deposit] into the Costs of Issuance Fund;
- (ii) Subsequent to the Closing Date for the Series 2024 Bond, from amounts derived from the proceeds of future draws on the Bonds, the Trustee shall deposit such amounts in the Project Fund.

Section 2.8. Amendment to Section 7.6. Section 7.6 of the Original Indenture is amended and restated in its entirety to read as follows:

Amounts in the Costs of Issuance Fund shall be disbursed by the Trustee only to pay the fee of the California Debt and Investment Advisory Commission of \$5,000 upon receipt of an invoice therefor. Upon the receipt of written direction from the Borrower or the date that is ninety (90) days following the Closing Date for the Series 2024 Bond, whichever date is earlier, the Trustee shall transfer all amounts remaining in the Costs of Issuance Fund to the Project Fund provided all the Costs of Issuance have been previously paid. Upon making such transfer, the Costs of Issuance Fund shall be closed.

Section 2.9. Amendment to Section 7.7. Section 7.6 of the Original Indenture is amended and restated in its entirety to read as follows:

(a) The Trustee shall use moneys in the Project Fund for the acquisition and rehabilitation of the Project, to pay other Qualified Project Costs (in connection with draws on the Series F-1 Bond or Series 2024 Bond, as applicable) and to pay other costs related to the Project as provided herein. The amounts on deposit in the Project Fund shall not be applied to the payment of Costs of Issuance. Moneys on deposit in the Capitalized Interest Account shall only be used to make payments on the Bonds pursuant to Section 2.5 of the Loan Agreement and as otherwise provided in this Section 7.7.

Not less than 95% of the bond proceeds representing net proceeds of the Series F-1 Bond or the Series 2024 Bond, as applicable, including Investment Income on moneys in the Project Fund, will be expended for Qualified Project Costs (the “95% Requirement”). Amounts on deposit in the Project Fund shall be allocated to, and disbursed from time to time by the Trustee, for the sole purpose of paying Qualified Project Costs and other costs that are the subject of a Written Requisition and approved in writing by the Bondholder Representative as herein provided, which Written Requisition shall include a certification of compliance with the 95% Requirement.

Before any payment shall be made from any account within the Project Fund, there shall be filed with the Trustee a Written Requisition of the Borrower substantially in the form attached hereto as Exhibit B and approved in writing by the Bondholder Representative for

each such payment (upon which the Trustee may conclusively rely); provided that, notwithstanding the foregoing, the Trustee shall withdraw any amounts from the Capitalized Interest Account prior to Conversion upon direction of the Bondholder Representative without a Written Requisition.

Only the signature of an authorized officer of the Bondholder Representative shall be required on a Written Requisition during any period in which a default by the Borrower has occurred and is then continuing under the Loan (notice of which default has been given in writing by an authorized officer of the Bondholder Representative to the Trustee and the LACDA, and the Trustee shall be entitled to conclusively rely on any such Written Notice as to the occurrence and continuation of such a default).

The Trustee may conclusively rely on all Written Requisitions, the execution of the Written Requisitions by the Authorized Borrower Representative and the approval of all Written Requisitions by the Bondholder Representative, as required by this Section, as conditions of payment from the Project Fund, which Written Requisitions constitute, as to the Trustee, irrevocable determinations that all conditions to payment of the specified amounts from the Project Fund have been satisfied. These documents shall be retained by the Trustee, subject at all reasonable times to examination by the Borrower, the LACDA, the Bondholder Representative and the agents and representatives thereof. The Trustee is not required to inspect the Project or the rehabilitation or construction work or to make any independent investigation with respect to the matters set forth in any Requisition or other statements, orders, certifications and approvals received by the Trustee. The Trustee is not required to obtain completion Bonds, lien releases or otherwise supervise the acquisition, rehabilitation, renovation, equipping, improvement and installation of the Project.

Moneys on deposit in the Capitalized Interest Account shall be transferred to the Bond Fund upon Written Direction by the Bondholder Representative to the Trustee and applied on each Bond Payment Date in an amount equal to the Loan Payments (excluding Third Party Fees) due on such date. Prior to the Conversion, the Bond Purchaser will advance proceeds of the purchase of the Bonds directly to the Bondholder Representative to be applied to the payment of interest due on the Bonds (and thereby have advanced an equal amount of the Loan), and incident to each such advance the Bondholder Representative shall provide written notice to the Trustee, the LACDA and the Borrower as to the amount so advanced and the Trustee shall be deemed to have received such amount for deposit into the Capitalized Interest Account and paid such amount to the Bondholder Representative on the applicable Bond Payment Date.

(b) Upon receipt of each Written Requisition submitted by the Borrower and approved in writing by the Bondholder Representative, the Trustee shall within three (3) Business Days make payment from the appropriate account within the Project Fund in accordance with such Written Requisition. The Trustee shall have no duty to determine whether any requested disbursement from the Project Fund complies with the terms, conditions and provisions of the Bond Documents, constitute payment of Qualified Project Costs or complies with the 95% requirement. The approval in writing of a Written Requisition by the Bondholder Representative shall be deemed a certification and, insofar as the Trustee is concerned, shall constitute conclusive evidence that all of the terms, conditions and

requirements of the Bond Documents applicable to such disbursement have been fully satisfied or waived and the Written Requisition from the Borrower shall, insofar as the Trustee and the LACDA are concerned, constitute conclusive evidence that the costs described in the Written Requisition constitute Qualified Project Costs. Each Written Requisition shall include an exhibit that allocates the requested disbursement among the Bonds and the funds received by the Trustee from the Borrower.

The Trustee shall immediately notify the Borrower and the Bondholder Representative if there are not sufficient funds available to make the transfers as and when required by this subsection (b). Except as provided in the next sentence, all such payments shall be made by check or draft payable, or by wire transfer, either (i) directly to the person, firm or corporation to be paid, (ii) to the Borrower and such person, firm or corporation, or (iii) upon the Bondholder Representative's receipt of evidence that the Borrower has previously paid such amount and Written Direction to the Trustee as to such, to the Borrower. Upon the occurrence of an Event of Default of the Borrower of which the Trustee has knowledge as provided herein, which is continuing under the Bond Documents, with the Written Consent of the Bondholder Representative, the Trustee may apply amounts on deposit in the Project Fund to the payment of principal of and interest on the Bonds. If a Written Requisition signed by the Authorized Borrower Representative and countersigned by an authorized officer of the Bondholder Representative is received by the Trustee, the requested disbursement shall be paid by the Trustee as soon as practicable, but in no event later than three (3) Business Days following receipt thereof by the Trustee. Upon final disbursement of all amounts on deposit in the Project Fund, the Trustee shall close the Project Fund.

(c) Immediately prior to any mandatory redemption of Bonds pursuant to Section 5.3 or 5.4, any amounts then remaining in the Project Fund attributable to the proceeds of the Bonds (as determined by the Written Requisitions from the Project Fund received by the Trustee from the Borrower and approved by the Bondholder Representative) shall, at the written direction of the Bondholder Representative, be transferred to the Bond Fund to be applied to the redemption of Bonds pursuant to Sections 5.3 or 5.4 or the purchase of Bonds in lieu of redemption pursuant to the provisions of Section 5.10 hereof.

Amounts on deposit in the Project Fund shall be invested as provided in Section 8.1. All Investment Income earned on amounts on deposit in each account of the Project Fund shall be retained in and credited to and become a part of the amounts on deposit in that account of the Project Fund.

When the Project has been completed, the Borrower shall deliver a Certificate of Completion, which contains a certification regarding the "95% Requirement" referred to in subsection (a), to the Trustee, the LACDA and the Bondholder Representative (the "Certificate of Completion"). On the date that is six months after the date on which the Trustee shall have received the Certificate of Completion, the Trustee shall transfer the balance of any moneys remaining in the Project Fund attributable to the proceeds of the Bonds (as determined by the Written Requisitions from the Project Fund received by the Trustee from the Borrower and approved by the Bondholder Representative) in excess of the amount to be reserved for payment of unpaid Project costs to the Bond Fund and apply

such funds to the redemption of Bonds in accordance with Section 5.2. Upon making such transfer, the Project Fund shall be closed and no additional amounts may be drawn thereunder.

Section 2.10. Amendment to Section 9.6. Section 9.6 of the Original Indenture is amended and restated in its entirety to read as follows:

The LACDA covenants to and for the benefit of the Bondholders that, notwithstanding any other provisions of this Indenture or of any other instrument, it will:

- (a) Enforce or cause to be enforced all obligations of the Borrower under the Regulatory Agreement in accordance with its terms and seek to cause the Borrower to correct any violation of the Regulatory Agreement within a reasonable period after any such violation is first discovered;
- (b) Not take or cause to be taken any other action or actions, or fail to take any action or actions, which would cause the interest payable on the Series F-1 Bond or the Series 2024 Bond to be includable in gross income for federal income tax purposes;
- (c) At all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the LACDA on the Series F-1 Bond and the Series 2024 Bond will be excluded from the gross income, for federal income tax purposes, of the Bondholders pursuant to Section 103 of the Code, except in the event where any such Owner of the Series F-1 Bond or the Series 2024 Bond is a “substantial user” of the facilities financed with the Bonds or a “related person” within the meaning of the Code;
- (d) Not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series F-1 Bond or the Series 2024 Bond to be “Federally Guaranteed” within the meaning of Section 149(b) of the Code and the Regulations; and
- (e) Require the Borrower to agree, pursuant to the terms and provisions of the Loan Agreement, not to commit any act and not to make any use of the proceeds of the Series F-1 Bond or the Series 2024 Bond or any other moneys which may be deemed to be proceeds of the Bonds pursuant to the Code, which would cause the Series F-1 Bond or the Series 2024 Bond to be an “arbitrage bonds” within the meaning of Sections 103(b) and 148 the Code, and to comply with the requirements of the Code throughout the term of the Series F-1 Bond and the Series 2024 Bond.

In furtherance of the covenants in this Section 9.6, the LACDA and the Borrower shall execute, deliver and comply with the provisions of the Tax Certificate, which are by this reference incorporated into this Indenture and made a part of this Indenture as if set forth in this Indenture in full, and by its acceptance of this Indenture the Trustee acknowledges receipt of the Tax Certificate and acknowledges its incorporation in this Indenture by this reference. The Trustee agrees it will invest funds held under this Indenture in accordance with the terms of this Indenture and the Tax Certificate (this covenant shall extend throughout the term of the Series F-1 Bond and the Series 2024 Bond to all Funds and

Accounts created under this Indenture and all moneys on deposit to the credit of any Fund or Account); provided that the Trustee shall be deemed to have complied with such requirements and shall have no liability to the extent it reasonably follows directions of the Borrower or otherwise complies with the provisions of Article V of the Indenture. The Trustee further agrees to notify the Borrower of the Borrower's obligation under Section 4.20 of the Loan Agreement with respect to the calculation of rebatable arbitrage.

For purposes of this Section 9.6 the LACDA's compliance shall be based solely on matters within the LACDA's control and no acts, omissions or directions of the Borrower, the Trustee or any other Persons shall be attributed to the LACDA.

In complying with the foregoing covenants, the LACDA may rely from time to time on a Bond Counsel No Adverse Effect Opinion or other appropriate opinion of Bond Counsel.

Section 2.11. Amendment to Section 10.4. Section 10.4 of the Original Indenture is amended and restated in its entirety to read as follows:

(a) Upon the occurrence of an Event of Default, the Trustee may, subject to the provisions of this Section 10.4 and the last paragraph of Section 10.13, proceed to protect and enforce its rights and the rights of the Bondholders by mandamus or other suit, action or proceeding at law or in equity. No remedy conferred by this Indenture upon or remedy reserved to the Trustee or to the Bondholders is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity or by statute.

(b) Upon the occurrence and continuation of any Event of Default, the Bondholder Representative may proceed forthwith to protect and enforce its rights and the rights of the Bondholders, the Bonds and this Indenture by such suits, actions or proceedings as the Bondholder Representative, in its sole discretion, shall deem expedient.

(c) Notwithstanding anything to the contrary contained in this Indenture, the Trustee shall not exercise any of its rights or remedies under this Article X or otherwise hereunder or under any of the other Bond Documents as a result of the occurrence of an Event of Default hereunder unless and until instructed by Written Direction to do so by the Bondholder Representative. The Trustee shall in such event exercise such rights and remedies as so instructed by the Bondholder Representative (if it gave Written Direction to the Trustee pursuant to this Section 10.4(c)); provided, that before taking any action requested by the Bondholder Representative, the Trustee may require reasonably satisfactory security or an indemnity Bond reasonably satisfactory to it from the Bondholder Representative for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its own negligence or willful misconduct by reason of any such action so taken.

(d) Whether or not an Event of Default has occurred, any and all consents and approvals of the Trustee required under the Mortgage, the Bonds or any other Bond

Document shall be given only with the prior Written Consent of the Bondholder Representative, in its sole discretion.

(e) Whether or not an Event of Default has occurred, and except as provided in subsections 10.4(f) and (g), the Bondholder Representative, in its sole discretion, shall have the sole right to direct the Trustee to waive or forebear any term, condition, covenant or agreement of the Mortgage, the Loan Agreement, the Bonds or any other Bond Documents applicable to the Borrower, or any breach thereof, other than a covenant that would adversely impact the tax-exempt status of the Series F-1 Bond or the Series 2024 Bond, and provided that the LACDA may enforce specific performance with respect to the Unassigned LACDA's Rights.

(f) If the Borrower defaults in the performance or observance of any covenant, agreement or obligation of the Borrower set forth in the Regulatory Agreement, and if such Default remains uncured for a period of 60 days after the Borrower and the Bondholder Representative receive Written Notice from the Trustee or the LACDA stating that an Event of Default under the Regulatory Agreement has occurred and specifying the nature of the Event of Default, the Trustee shall have the right to seek specific performance of the provisions of the Regulatory Agreement or to exercise its other rights or remedies thereunder; provided, however, that any such forbearance by the Trustee in the exercise of its remedies under the Bond Documents shall not be construed as a waiver by the Trustee or the Bondholder Representative of any Conditions to Conversion.

(g) If the Borrower defaults in the performance of its obligations under the Loan Agreement to make rebate payments, to comply with continuing disclosure requirements or to make payments to the Trustee owed pursuant to Sections 2.6, 4.12 or 4.15 of the Loan Agreement for fees, expenses or indemnification, the Trustee shall have the right to exercise all its rights and remedies thereunder (subject to the last paragraph of Section 10.13); provided, however, that any such forbearance by the Trustee in the exercise of its remedies under the Bond Documents shall not be construed as a waiver by the Trustee or the Bondholder Representative of any conditions to Conversion nor a waiver of any of the Trustee's rights.

Section 2.12. Amendment to Section 13.2. Section 13.2 of the Original Indenture is amended and restated in its entirety to read as follows:

(a) The LACDA shall, at the Written Request of the Borrower, on any date provide for the payment of the Bonds of a Series by establishing an escrow (at the sole expense of the Borrower) for such purpose with the Trustee and depositing therein cash and/or Government Obligations that will provide funds sufficient to pay the principal, premium, if any, and interest on such Bonds at the Defeasance Rate which may apply to such Bonds as the same become due and payable until the maturity or redemption of such Bonds; provided, however, that

(i) Such Government Obligations must not be subject to redemption prior to their respective maturities at the option of the LACDA of such Government Obligations or Special Defeasance Obligations; and

(ii) If the Bonds of a Series are to be redeemed prior to their maturity, either (1) the Trustee shall receive evidence that irrevocable written notice of such redemption has been given in accordance with the provisions of this Indenture and such Bonds or (2) the LACDA shall confer on the Trustee irrevocable written authority for the giving of such notice on behalf of the LACDA;

(b) Except in the case of a gross-funded cash defeasance, prior to the establishment of such escrow, the Trustee must receive a report by an independent certified public accountant stating in effect that the principal and interest payments on the Government Obligations in such escrow, without reinvestment, together with the cash initially deposited therein, will be sufficient to make the required payments from such trust.

(c) Cash and/or Government Obligations deposited with the Trustee pursuant to this Section shall not be a part of the Trust Estate but shall constitute a separate, irrevocable trust fund for the benefit of the Bondholders to be paid from such fund. Such cash and the principal and interest payable on such Government Obligations shall be applied by the Trustee first to the payment of Bond principal, premium, if any, and interest on the applicable Series of Bonds and any other amounts due under this Indenture; any amounts not needed for such purpose shall be remitted to the Borrower.

(d) The obligations hereunder relating to paying agent, registrar and transfer agent functions and the provisions of Section 7.8 and Article XI shall survive defeasance.

Section 2.13. Amendment to Exhibit A. Exhibit A of the Original Indenture is amended by the addition of the Exhibit A-2 attached hereto.

Section 2.14. Amendment to Exhibit B. Exhibit B of the Original Indenture is amended by the addition of the Exhibit B-2 attached hereto.

ARTICLE III

MISCELLANEOUS

Section 3.1. Effect of First Supplemental Indenture. This First Supplemental Indenture and all of the terms and provisions herein contained shall form part of the Original Indenture as fully and with the same effect as if all such terms and provisions had been set forth in the Original Indenture. The Original Indenture is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this First Supplemental Indenture and the terms of the Original Indenture (as in effect on the day prior to the effective date of this First Supplemental Indenture), the terms of this First Supplemental Indenture shall prevail.

Section 3.2. Binding Effect. This First Supplemental Indenture shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

Section 3.3. Severability. In the event any provision of this First Supplemental Indenture shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 3.4. Execution in Counterparts. This First Supplemental Indenture may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 3.5. Applicable Law. This First Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and performed in such State.

Section 3.6. Effective Date. This First Supplemental Indenture shall become effective upon its execution on the date first written above.

IN WITNESS WHEREOF, the LACDA and the Trustee have caused this Indenture to be duly executed as of the date first written above.

LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY

By: _____
Executive Director or Designee

Print Name

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____
Senior Deputy

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Signatory

EXHIBIT A-2

FORM OF 2024 BOND

EXCEPT AS EXPRESSLY PROVIDED IN THE INDENTURE THE TRUSTEE IS PROHIBITED FROM REGISTERING THE OWNERSHIP OR TRANSFER OF OWNERSHIP OF THIS BOND TO ANY PERSON WITHOUT RECEIPT OF THE WRITTEN CONSENT OF THE LACDA AND AN EXECUTED PURCHASER LETTER AS PROVIDED FOR IN THE INDENTURE DESCRIBED HEREIN.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
MULTIFAMILY HOUSING MORTGAGE REVENUE BONDS
(Las Dahlias)
2024 Series B

NO.: R-1

MATURITY DATE:

DATED DATE:

REGISTERED OWNER: JPMORGAN CHASE BANK, N.A.

PRINCIPAL AMOUNT: UP TO \$_____

The LOS ANGELES COUNTY DEVELOPMENT AUTHORITY, a public body, corporate and politic, organized and existing under the laws of the State of California (the “LACDA”), for value received, hereby promises to pay (but only out of the revenues and other assets pledged under the Indenture (hereinafter defined)) to the Registered Owner specified above or registered assigns (subject to any right of prior redemption or tender), on the Maturity Date specified above, subject to prior redemption as provided in the Indenture, the sum of up to \$_____, and to pay interest thereon as provided in the Indenture, payable on each Bond Payment Date, commencing on [First Payment Date], to the person whose name appears on the registration books as of the Record Date and to pay any other amounts as specified in the Indenture (hereinafter defined). The actual unpaid principal hereof shall be equal to the funds disbursed by the Bondowner Representative under the Indenture and the Loan Agreement to fund the Loan, less any portion of the principal hereof redeemed pursuant to the Indenture. Interest on this Bond shall be calculated as set forth in the Indenture. All capitalized terms not otherwise defined in this Bond shall have the meaning ascribed thereto in the Indenture (as hereinafter defined).

Principal of, and premium, if any, on this Bond are payable in such coin or currency of the United States as at time of payment is legal tender for payment of private and public debts, at the designated payment office of U.S. Bank National Association (the “Trustee” and “Bond Registrar”) or its successor.

The principal amount of this Bond as of any given date shall be equal to (i) the total amount of principal advanced by the Bond Purchaser, less (ii) any payment of principal on the Bonds received by the Holders thereof.

This Bond is a duly authorized bond of the LACDA designated as the Multifamily Housing Mortgage Revenue Bond (Las Dahlias) 2024 Series B (this “Bond”), issued pursuant to Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California (herein called the “Act”). This Bond is issued under and are equally and ratably secured by that certain Trust Indenture, dated as of June 1, 2021, as amended and supplemented by that certain First Supplemental Indenture, dated as of [As of Date] (collectively, the “Indenture”), between the LACDA and the Trustee. The LACDA has previously issued revenue bonds designated as the Multifamily Housing Mortgage Revenue Bond (3rd and Dangler Apartments), 2021 Series F-1 (Tax-Exempt) (the “Series F-1 Bond”) and the Multifamily Housing Mortgage Revenue Bond (3rd and Dangler Apartments) 2021 Series F-2 (Taxable) under the Indenture. In the event of any conflict or inconsistency between the terms of this Bond and the terms of the Indenture, the terms of the Indenture shall prevail.

The proceeds from the Bond are to be used for the purpose of making a mortgage loan pursuant to a Loan Agreement, dated as of June 1, 2021 (the “Loan Agreement”), as amended and supplemented by that certain First Amendment to Loan Agreement, dated as of [As of Date] (collectively, the “Loan Agreement”), between the LACDA and 3rd & Dangler LP (the “Borrower”), to finance the acquisition and rehabilitation of a multifamily residential facility (the “Project”). The Borrower’s payment obligations under the Loan Agreement will be evidenced by three promissory notes (the “Notes”). The Notes will be secured by the Mortgage.

Reference is hereby made to the Indenture and to all amendments and supplements thereto for a description of the property pledged and assigned to the Trustee and of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the LACDA and the Trustee, the terms on which the Bond is issued and secured, the manner in which interest is computed on this Bond, mandatory and optional tender rights and provisions, mandatory and optional redemption rights and tender provisions, acceleration, the rights of the Bondholders and the provisions for defeasance of such rights.

This Bond is subject to redemption in whole or in part, on the dates, under the terms and conditions and at the redemption prices set forth in the Indenture, all of the provisions of which are, by this reference, incorporated into this Bond. Notice of redemption shall be given in the manner set forth in the Indenture.

THIS BOND IS A LIMITED OBLIGATION OF THE LACDA, PAYABLE SOLELY FROM THE PLEDGED REVENUES AND OTHER FUNDS AND MONEYS PLEDGED AND ASSIGNED UNDER THE INDENTURE. NEITHER THE LACDA, THE COUNTY OF LOS ANGELES, THE STATE OF CALIFORNIA, NOR ANY POLITICAL SUBDIVISION THEREOF (EXCEPT THE LACDA, TO THE LIMITED EXTENT SET FORTH IN THE INDENTURE) NOR ANY PUBLIC AGENCY SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THIS BOND OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER EXCEPT AS SET FORTH IN THE INDENTURE, AND NONE

OF THIS BOND OR ANY OF THE LACDA'S AGREEMENTS OR OBLIGATIONS SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR A LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE FOREGOING WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE LACDA HAS NO TAXING POWER.

The registered owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default thereunder, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

By purchase of this Bond, the registered owner hereof authorizes the Bondholder Representative to exercise such rights and remedies afforded to it as provided in the Bond Documents.

Modifications or alterations of the Indenture or of any indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture.

This Bond may be exchanged, and its transfer may be effected, only by the registered owner hereof in person or by his attorney duly authorized in writing at the designated corporate trust office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, including, without limitation, the delivery of a Purchaser Letter as provided for in the Indenture.

The LACDA and the Trustee may deem and treat the person in whose name this Bond shall be registered on the Bond register, as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the LACDA nor the Trustee shall be affected by any notice to the contrary.

All acts, conditions and things required by the laws of the LACDA to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law.

Neither the directors, members, officers, agents, employees or representatives of the LACDA nor any person executing this Bond shall be personally liable hereon or be subject to any personal liability by reason of the issuance hereof, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the execution of the Indenture and the issuance of this Bond.

This Bond shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose until the Bond Registrar shall have executed the Certificate of Authentication appearing hereon.

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that the issuance of this Bond is duly authorized by law; that all acts, conditions and things required to exist and to be done

precedent to and in the issuance of this Bond to render the same lawful and valid have been properly done and performed and have happened in regular and due time, form and manner as required by law; and that all acts, conditions and things necessary to be done or performed by the LACDA or to have happened precedent to or in the execution and delivery of the Indenture have been done and performed and have happened in regular and due form as required by law.

IN WITNESS WHEREOF, the LACDA has caused this Bond to be executed in its name by the manual or facsimile signature of its duly authorized officers all as of the Dated Date hereof.

LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY

By: _____
Chair of the Board of Commissioners

ATTEST:

CELIA ZAVALA
Executive Officer of the
Board of Commissioners

Deputy

CERTIFICATE OF AUTHENTICATION

This is to certify that this Bond is a Bond referred to in the within-mentioned Indenture.

Date of Authentication: _____

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned, hereby sells, assigns and transfers unto _____ (Tax Identification or Social Security No. _____) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power or substitution in the premises.

Date:

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a signature guarantor institution that is a participant in a nationally recognized signature guarantor program.

NOTICE: The signature to this assignment must correspond with the name of the registered owner of the within Bond as it appears on the face hereof in every particular, without alteration or enlargement or any change whatever, and the Social Security number or federal employer identification must be supplied.

- ☐ The above signed transferor hereby represents and warrants to the Trustee and LACDA that the above transferee is a (check as applicable):
- ☐ “qualified institutional buyer” (“Qualified Institutional Buyer”) as defined in Rule 144A promulgated under the Securities Act of 1933; or
 - ☐ special purpose entity, trust or custodial arrangement in which all of the beneficial interests are credit enhanced and rated in the “A” category or higher by a Rating Agency (other than a residual interest owned by a “qualified institutional buyer”); provided, however, that a single Qualified Institutional Buyer shall at all times hold a controlling interest in the residual interests in the trust or custodial arrangement and all interests therein shall be issued in minimum denominations of \$100,000.

PRINCIPAL DRAW DOWN SCHEDULE

Date of Advance	Amount of Advance	Principal Balance Outstanding

EXHIBIT B-2

**FORM OF WRITTEN REQUISITION
OF THE BORROWER-PROJECT FUND
2024 SERIES B**

Draw # _____

To: U.S. Bank National Association, as trustee (the “Trustee”) under that certain Trust Indenture, dated as of June 1, 2021, as amended and supplemented by that certain First Supplemental Indenture, dated as of [As of Date], between the Trustee and the Los Angeles County Development Authority.

1. You are requested to disburse funds from the Project Fund pursuant to Section 7.7 of the Indenture in the amount(s), to the person(s) and for the purpose(s) set forth on Schedule I attached hereto and incorporated herein by reference. An invoice or other appropriate evidence of the obligations described on Schedule I is attached hereto.

2. The undersigned certifies that:

(i) there has been received no notice (A) of any lien, right to lien or attachment upon, or claim affecting the right of the payee to receive payment of, any of the moneys payable under such requisition to any of the persons, firms or corporations named therein, and (B) that any materials, supplies or equipment covered by such requisition are subject to any lien or security interest, or if any notice of any such lien, attachment, claim or security interest has been received, such lien, attachment, claim or security interest has been released, discharged, insured or bonded over or will be released, discharged, insured or bonded over upon payment of the requisition;

(ii) such requisition contains no items representing payment on account of any percentage entitled to be retained at the date of the certificate;

(iii) the obligation stated on the requisition has been incurred in or about the acquisition, rehabilitation or equipping of the Project, each item is a proper charge against such Account of the Project Fund, and the obligation has not been the basis for a prior requisition that has been paid;

(iv) with respect to draws on the Series 2024 Bond, such requisition contains no items representing any Costs of Issuance or any other amount constituting an issuance cost under Section 147(g) of the Code;

(v) with respect to draws on the Series 2024 Bond, not less than 95% of the sum of: (A) the amounts requisitioned by this Requisition to be funded with the proceeds of the Series 2024 Bond plus (B) all amounts allocated to the Series 2024 Bond previously disbursed from the Project Fund, have been or will be applied by the Borrower to pay Qualified Project Costs;

(vi) as of the date hereof no event or condition has happened or is happening or exists that constitutes, or that with notice or lapse of time or both, would constitute, an Event of Default under the Loan Agreement or, to our knowledge, an Event of Default under the Indenture; and

(vii) attached as Schedule I to this Requisition is an exhibit that allocates the amount requested hereby among the Bonds and funds provided to the Trustee from the Borrower.

[3. The undersigned has provided you with this Requisition an endorsement to the mortgagee title insurance policy delivered to the Trustee at closing increasing the affirmative mechanics and materialmen's lien coverage to an amount equal to the aggregate amount paid out of the Project Fund including the amount to be paid under the requisitions then being submitted, together with any lien waivers or reports with respect to title to the Project required for the issuance of such endorsement.]

Dated: _____, 20__

3RD & DANGLER LP,
a California limited partnership

By: NCRC Dangler LLC,
a California limited liability company,
its managing general partner

By: National Community Renaissance of California,
a California nonprofit public benefit
corporation, its sole member and manager

By: _____
Michael Finn, Chief Financial Officer

Approved by:

_____, as Bondholder Representative

By: _____

Name:

Title: _____