CDBG-DR MHP Developer Commitment Agreement

This Agreement made and entered into by and between the Town of Paradise, California, acting by and through its Town Manager, with offices at 5555 Skyway Road, Paradise, CA 95969 ("TOWN") and Paradise Senior Associates, a California Limited Partnership located at 430 E. State Street, Suite 100, Eagle, ID 83616 ("OWNER").

WHEREAS the TOWN is a subrecipient of the State of California Department of Housing and Community Development ("HCD"), who is providing Community Development Block Grant-Disaster Recovery Multifamily Housing Program ("CDBG-DR MHP") funds from the United States Department of Housing and Urban Development ("HUD") to qualified applicants in accordance with the requirements of HCD's CDBG-DR MHP Program ("PROGRAM"); and

WHEREAS OWNER will own and operate the property, and is an affiliate of Pacific West Communities, Inc. ("PWC"), who is the applicant for a project more particularly described herein ("PROJECT") and the PROJECT developer. OWNER will enter into the Agreements required hereunder; and

WHEREAS, PWC has applied to the TOWN as evidenced by a completed Application, including all written responses, exhibits, attachments, addenda, and amendments pertaining thereto, (collectively, "APPLICATION"); and

WHEREAS, to ensure that the PROJECT will be constructed, used, and operated in accordance with these requirements, OWNER and the TOWN have agreed to enter into this CDBG-DR MHP PROJECT Commitment Agreement ("AGREEMENT").

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 are hereby acknowledged, the TOWN and OWNER hereby contract and agree as follows:

I. PROJECT Summary and Important Contractual Dates

The PROJECT will be located at 6983 Pentz Road, Paradise, California, (see attached copy of executed Land Purchase and Sale Agreement dated as of January 22, 2002 between PWC and Joyce L. Powell, Trustee, Survivor's Trust Undre the Jay and Joyce Powell Family Trust, as assigned by PWC to OWNER pursuant to that certain Assignment of Land Purchase and Sale Agreement entered into substantially concurrently herewith (the "PSA") and description demonstrating legal boundaries and property at Exhibit A attached to the PSA) and consists of the acquisition and new construction of the PROJECT. This rental housing PROJECT will contain twenty-one (21) units of rental housing, of which twenty (20) units will be assisted with CDBG-DR MHP funds. The PROJECT will be developed by PWC; owned by OWNER; constructed by Pacific West Builders, Inc.; and managed by Cambridge Real Estate Services. The architect for the PROJECT will be SDG Architects; and the syndicator/investor for the LIHTC funding for this PROJECT is Merritt Community Capital Corporation or its affiliate. Any changes to any of these responsible entities or their partners, except the limited partner in accordance with the OWNER's partnership agreement, must be disclosed to, and approved by, The TOWN of Paradise during the term of the loan and throughout the full affordability period.

Important PROJECT Parameters and Dates

Description of Requirement or Event	Date or Amount
Number of total PROJECT units	Twenty-one (21)
Number of CDBG-DR MHP assisted units	Twenty (20)
Number of CDBG-DR MHP units affordable to 30% AMI households	Two (2)
Number of CDBG-DR MHP units affordable to 50% AMI households	Twelve (12)
Number of CDBG-DR MHP units affordable to 60% AMI households	Six (6)
Amount of TOWN CDBG-DR MHP funding	Three million, Six hundred thousand dollars ($3,600,000)
Total PROJECT budget	Nine million, Five hundred forty three thousand One hundred Five dollars ($9,543,105)
Acquisition of Property deadline	Within sixty (60) days of PROJECT closing
Construction start deadline	Within ninety (90) days of PROJECT closing
The TOWN of Paradise CDBG-DR MHP funding expenditure deadline	August 31, 2026
Construction completion deadline	October 31, 2025
PROJECT lease-up/closeout deadline	Within one year of PROJECT completion, no later than July 31, 2026 (unless extended by the TOWN in its reasonable discretion but in no event longer than eighteen months)

II. **The TOWN of Paradise is providing a portion of its allocation of CDBG-DR MHP funds to partially fund this PROJECT. CDBG-DR funds were appropriated by the federal government to the State of California on January 27, 2020 through 85 FR 4681 under Public Laws 115–254 and 116–20, Catalog of Federal Domestic Assistance Number 14.228. The California Department of Housing and Community Development (HCD) is the lead and Responsible Entity for administering the CDBG-DR funds allocated to the State of California. The CDBG-DR MHP PROGRAM was developed by HCD, and the Town of**

Paradise is a subrecipient of funding through this PROGRAM. The CDBG-DR program is administered by HUD, and both the Federal regulations (Title I of the Housing and Community Development Act of 1974, as amended; 24 CFR Part 570; 2 CFR Part 200) and the State's CDBG-DR MHP PROGRAM regulations and requirements outlined in the HCD DR18 Disaster Recovery Multifamily Housing Program Policies and Procedures Manual must be followed in the development and operation of this PROJECT. CDBG-DR MHP Requirements

A. CDBG-DR MHP funded Activities: CDBG-DR MHP funds will be used to support the following activities related to the purchase, improvement, and rental of property as affordable housing to households at or below eighty percent (80%) of the area median income (AMI) adjusted by household size. Two (2) of the CDBG-DR MHP assisted units will be provided as affordable rental housing to households at or below thirty percent (30%) of the AMI. No activity (including, but not limited to, property acquisition and construction) should take place until the execution of this AGREEMENT and the approved completion of the environmental review:

Eligible activity for which all CDBG-DR MHP funds will be used	Funding Amount
New construction of housing units	$3,600,000

OWNER will be responsible for all costs incurred prior to obtaining an executed AGREEMENT.

B. Affordable Rent Restrictions: OWNER must charge rents for the CDBG-DR MHP assisted units in accordance with Exhibit B and this Section II.B that do not exceed High HOME Rent Limits and Low HOME Rent Limits as published annually by HUD. High HOME Rent Limits shall apply to PROJECT units serving households at or below sixty percent (60%) of the area median income (AMI) in accordance with Section II.C of this Agreement. Low HOME Rent Limits shall apply to PROJECT units serving households at or below thirty percent (30%) of the area median income (AMI) in accordance with Section II.C of this Agreement. All rents listed must be adjusted for any utilities paid by the tenant using the approved Utility Allowance Schedule for the project.

1. The CDBG-DR MHP PROGRAM requires that the HOME Investment Partnership Program ("HOME") regulations regarding rents must be followed. Per these regulations at 24 CFR Part 92.252, HUD provides the maximum HOME rent limits, with adjustments for the number of bedrooms in the unit. These limits are adjusted annually by HUD, and it will be the responsibility of OWNER to ensure that rents do not exceed the applicable HOME rents ("AFFORDABLE RENTS") during the full affordability period. 100% of CDBG-DR MHP assisted units must be at or below the current, HUD established, High HOME rent, less tenant paid utilities (using an approved Utility

Allowance Schedule). Current HOME rents for Chico, CA MSA/Butte County are listed in Exhibit B, attached hereto, and updated annually by HUD/HCD.

2. The rent standards must be reduced if the tenant pays for utilities and documented with an approved Utility Allowance Schedule provided to the Town annually. This is because the calculation of these rent standards includes all utilities except telephone. Yet, in practice many utilities (water, heat, air conditioning, cooking gas, etc.) are not included in rents. Utility allowances provide a mechanism for adjusting the maximum allowable AFFORDABLE RENTS when the tenant pays some or all utilities.
   a. OWNER must use the HUD Utility Schedule Model (HUSM) or the standard of the local housing authority to calculate tenant paid utilities and include an updated and completed model in their files and provide to the Town on an annual basis. The HUSM, along with instructions and other related data and information is found on the HUD.gov web page.
   b. These utility calculations should then be used along with current allowable HOME rent limits to adjust the rents annually.
3. OWNER cannot refuse to lease CDBG-DR MHP-assisted units to a certificate or voucher holder, as described in 24 CFR 92.252 (d).

Current Income Calculations for Butte County, CA (2023)								
Household Size	1-person	2-person	3-person	4-person	5-person	6-person	7-person	8-person
30% AMI	$ 17,350	$ 19,800	$ 24,860	$ 30,000	$ 35,140	$ 40,280	$ 45,420	$ 50,560
50% AMI	$ 28,900	$ 33,000	$ 37,150	$ 41,250	$ 44,550	$ 47,850	$ 51,150	$ 54,450
60% AMI	$ 34,680	$ 39,600	$ 44,580	$ 49,500	$ 53,460	$ 57,420	$ 61,380	$ 65,340

C. <u>Tenant Requirements</u>: The following requirements pertain to the lease of the housing units to eligible tenants:
   1. Occupancy by Low Income Households:
      a. Two (2) of the units assisted with CDBG-DR MHP funds must serve households with incomes at or below thirty percent (30%) of the area median income (AMI), adjusted by household size, as defined in the table above, throughout the full affordability period.
      b. Twelve (12) of the units assisted with CDBG-DR MHP funds must serve households with incomes at or below fifty percent (50%) of the area median income (AMI), adjusted by household size, as defined in the table above, throughout the full affordability period.
      c. Six (6) of the units assisted with CDBG-DR MHP funds must serve households with incomes at or below sixty percent (60%) of the area median income (AMI), adjusted

by household size, as defined in the table above, throughout the full affordability period.

Income must be calculated using an allowable methodology as outlined in the Technical Guide for Determining Income and Allowances for the HOME Program available on the HUD.gov web page.

2. Period of Affordability: CDBG-DR MHP assisted units must meet the affordability requirements, including affordable rents and rental occupancy by income eligible tenants as described elsewhere in this document. These restrictions will be imposed for twenty (20) years ("Period of Affordability"), following PROJECT completion (receipt of a Certificate of Occupancy). This is the minimum amount of time allowable by HCD for rental housing units under the PROGRAM. Affordability requirements apply regardless of the term of any loan or mortgage or the transfer of ownership. They will be imposed by a Deed Covenant. The TOWN will also conduct monitoring and inspections and will require recordkeeping and reporting requirements annually throughout the Period of Affordability. OWNER shall participate as requested by the TOWN and provide requested information and data to complete the process to the satisfaction of the TOWN, HUD and/or HCD.

   OWNER shall execute, abide by, and record an Affordable Housing Restriction which will, among other things, restrict the use and occupancy of the PROJECT, as well as the PROJECT's rental rates for the Period of Affordability. OWNER hereby understands and agrees that all covenants and restrictions regarding the Affordable Housing Restriction must be covenants running with the land and will be binding on the OWNER, its successors in title, and subsequent owners of the PROJECT Site (except, upon due notice to the TOWN, the Affordable Housing Restriction must terminate upon foreclosure or OWNER's execution and delivery of a deed in lieu of foreclosure) during the Period of Affordability.

   During the Period of Affordability, OWNER must comply with the following covenants regarding the CDBG-DR MHP Assisted Units:

   a. OWNER hereby covenants not to convert the newly constructed units in accordance with the PROJECT Plans for the applicable Period of Affordability to condominium ownership or any form of cooperative ownership or mutual housing that has a resale structure that does not enable the cooperative to maintain six (6) of the CDBG-DR MHP assisted rental units affordable to households with incomes at or below 60% of the area median income, twelve (12) of the CDBG-DR MHP assisted rental units affordable to households with incomes at or below 50% of the area median income, and two (2) of the CDBG-DR MHP assisted rental units affordable to households with incomes at or below 30% of the area median income. OWNER further agrees that it must maintain the AFFORDABLE RENTS and Occupancy Standards required pursuant hereto.

b. OWNER hereby covenants and agrees that OWNER will not discriminate against prospective tenants at the PROJECT on the basis of their receipt of, or eligibility for, housing assistance under any federal, state, or local housing assistance PROGRAM or, except for a housing project for elderly persons, on the basis that the tenants have a minor child or children who will be residing with them, for the applicable Period of Affordability.

c. These covenants and those through the Affordable Housing Restriction must constitute mutual covenants running with the PROJECT Site during the applicable Period of Affordability and the TOWN must have the same right to invoke and enforce the provisions of this Article and all other relevant provisions of this AGREEMENT against all successive and future owners of the PROJECT Site, unless said future owner or owners must have acquired title to the PROJECT Site pursuant to a foreclosure action instituted by the TOWN or a foreclosure action under loan documents securing private financing.

d. Covenant against Transfer of PROJECT Site: Except as otherwise permitted by the Loan Documents, during the Period of Affordability, OWNER, may not, without the prior written consent of the TOWN, which consent may be withheld in the TOWN's sole discretion, (a) include, or permit any other person or entity to include any real property that is part of the PROJECT Site in any other existing or proposed PROJECT or development, or (b) assign, convey or transfer any such real property to any individual or entity, or agree to make such assignment, conveyance or transfer. The prohibition contained in this Section must apply to any such real property, whether or not CDBG-DR MHP Funds were or will be spent on the real property, and whether or not the other existing or proposed PROJECT or development will be financed in whole or in part by CDBG-DR MHP Funds. By way of example, but not limitation, this Section applies to any AGREEMENT by the OWNER of the PROJECT to convey a vacant lot that is part of the PROJECT Site and that is not improved as part of the PROJECT.

e. No conversion of the rental units to homeowner units or sale of these units may occur during the term of the Period of Affordability.

f. OWNER hereby covenants that the determination of whether a household meets the income requirements set forth herein must be made by the OWNER, at the time of leasing of a unit in the PROJECT and thereafter at least annually on the basis of the current income of such household. OWNER hereby covenants and agrees that the OWNER will maintain this data and must, upon reasonable notice and during normal business hours, give access to it and all books, accounts, reports, files, and other papers or property of OWNER pertaining to the TOWN CDBG-DR MHP Loan to the inspector General of HUD, the Comptroller General of the United States, the

TOWN, or any of their duly authorized representatives for the purpose of making surveys, audits, examinations, excerpts, and transcripts.

g. All property leases with tenants must be for a period of at least one (1) year, unless a shorter term is requested by tenant in writing and agreed to by OWNER. A copy of the lease must be made available to the TOWN upon request and must not contain any of the following prohibited clauses.

   i. Agreement to be sued: Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the OWNER in a lawsuit brought in connection with the lease.

   ii. Treatment of property: Agreement by the tenant that the OWNER may seize or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This provision does not apply to disposition of personal property left by a tenant who has vacated a property.

   iii. Excusing OWNER from responsibility: Agreement by the tenant not to hold the OWNER or the OWNER's agents legally responsible for any action or failure to act, whether intentional or negligent.

   iv. Waiver of notice: Agreement by the tenant that the OWNER may institute a lawsuit without notice to the tenant.

   v. Waiver of legal proceedings: Agreement by the tenant that the OWNER may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties.

   vi. Waiver of a jury trial: Agreement by the tenant to waive any right to a trial by jury.

   vii. Waiver of right to appeal court decision: Agreement by the tenant to waive the tenant's right to appeal or to otherwise challenge in court, a court decision in connection with the lease.

   viii. Tenant chargeable with cost of legal actions regardless of outcome: Agreement by the tenant to pay attorney's fees or other legal costs, even if the tenant wins in a court proceeding by the OWNER against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.

   ix. Termination clauses: Agreement by the tenant that allows termination without a 30-day notice and for other than repeated violation of the terms and conditions of the lease; violation of applicable federal, state, or local law; completion of the tenancy period for transitional housing or for other good cause.

h. The OWNER shall not terminate the tenancy or refuse to renew the lease of a tenant of rental housing assisted with CDBG-DR MHP funds except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable Federal, State, or local law; for completion of the tenancy period for transitional housing; or for other good cause. To terminate or refuse to renew tenancy, the OWNER must serve written notice upon the tenant specifying the grounds for the action at least 30 days before the termination of tenancy.

i. The OWNER must adopt written tenant selection policies and criteria, as provided in Exhibit E, that:

   i. are consistent with the purpose of providing housing for very low-income and low-income households;

   ii. are reasonably related to PROGRAM eligibility and the applicants' ability to perform the obligations of the lease.

   iii. provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and

   iv. give prompt written notification to any rejected applicant of the grounds for any rejection.

D. Conditions on acquisition/construction activity: OWNER must not take title until after the environmental review has been completed and approved by the TOWN and HCD for this PROJECT and a release of funds has been issued. Construction may not take place until a PROJECT closing has been held with the TOWN, all needed documents have been executed, and a notice to proceed has been issued by the TOWN.

   This PROJECT must be constructed and operated in conformance with all requirements of the environmental site assessment and HCD approved environmental review and all required compliance with special conditions have been implemented (i.e. WUI, Broadband, Energy Efficiency).

E. Relocation: All properties acquired for this PROJECT must be vacant prior to the initiation of the PROJECT and remain vacant through the execution of this AGREEMENT. OWNER must adhere to federal requirements related to acquisition, displacement and relocation found at 49 CFR Part 24 (the Uniform Relocation Assistance and Real Property Acquisition Act).

   Per the Federal Register Notice, no funds allocated to a CDBG-DR funded project may be used to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use as defined in 83 FRN 40314.

F. Applicable Laws: OWNER agrees to abide by any and all federal, state, and TOWN laws, codes, ordinances, rules, and regulations applicable to the PROJECT, whether presently existing or hereafter promulgated, including without limitation environmental laws, building codes, land use, and zoning codes.

G. Uniform Administrative Requirements: OWNER acknowledges that TOWN must comply with all applicable provisions of Title 2, Subtitle A, Chapter II, PART 200— UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS contained in Title 2 CFR § 200 et seq.

H. Religious and Political Activities: OWNER is prohibited from using funds provided by the Financing Loan or personnel employed in the administration of the PROGRAM for sectarian or religious activities, lobbying, political patronage and/or nepotism activities. OWNER further agrees that no funds provided, nor personnel employed under this AGREEMENT, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V United States Code (Hatch Act), 24 CFR Section 570.207(a)(3), or 24 CFR Section 570.200(j).

I. Section 3 of the Housing and Urban PROJECT Act of 1968: OWNER agrees to comply with the provisions of Section 3 of the Housing and Urban PROJECT Act of 1968 (12 U.S.C. §1701u) and implementing regulations contained in 24 CFR Part 75 regarding economic opportunities for low- and very low-income persons. OWNER shall also keep records demonstrating compliance with the foregoing regulations, including without limitation the provisions of 24 CFR Section 570.506(g)(5). In addition, OWNER agrees to comply with the following requirements:

1. To prepare and utilize a Section 3 Plan for the TOWN in compliance with HUD.
2. To designate a Section 3 Coordinator and provide data to the TOWN per required manual provide by the TOWN.
3. To take affirmative steps to follow the Section 3 Plan, document those efforts and provide required data and information to the TOWN.
4. To include a Section 3 Clause and the Contractor Certification of Efforts to Fully Comply with Employment and Training Provision of Section 3 in any construction contract in excess of $100,000 and in compliance with the TOWN plan and manual provided.

J. Minority and Women Business Enterprise (M/WBE): Per 2 CFR 200.321, Subrecipients, contractors, and/or Developers must take all necessary affirmative steps to ensure that minority business, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps include:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists.
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources.
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises.

4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises.
5. Using the services and assistance, as appropriate, of such organizations as the SBA and the Minority Business Development Agency of the Department of Commerce.
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) above.

As a subrecipient to the State, the TOWN will be required to collect information from all contractors and Developers and report all contracts and subcontracts awarded to minority businesses, women's business enterprises and labor surplus area firms to the TOWN on an annual basis. OWNER agrees to comply with these requirements, and to collect information needed for reporting to the TOWN in compliance with HCD.

K. Affirmative Marketing: OWNER shall conduct affirmative marketing and minority outreach activities in compliance with 24 CFR 92.351 in the leasing of units in this PROJECT, and all other PROJECT activities.

Developers advertise Projects and units to fill vacant units or to develop a waiting list of interested applicants for the subsidized housing. Affirmative Marketing involves special outreach and advertising efforts designed to communicate the availability of CDBG-DR MHP assisted housing to those groups or individuals who might otherwise be unlikely to apply. Those groups are identified through analysis of local housing market area demographics using statistics readily available from the U.S. Census Bureau and determining appropriate advertising. and outreach efforts to be followed by Developers to reach out to those least likely to apply for the housing opportunity. Affirmative marketing efforts must begin at least 90 days prior to initial or renewed occupancy for new construction and Substantial Rehabilitation Projects, respectively.

HCD has determined that in addition to the required demographic analysis, individuals and families that were impacted by the disasters, low-income immigrants, persons with limited English proficiency, and Section 8 Housing Choice Voucher holders are least likely to apply. Examples of renters impacted by the disasters include renters that have lost rental units or have been displaced due to the impacts of DR-4382 and DR-4407.

L. Equal opportunity, Non-Discrimination, and Fair Housing: OWNER shall not, on the grounds of race, color, religion, national origin, ethnicity, familial status, sexual orientation, or gender, exclude any person from participation in, or deny any person the benefits of, or subject any person to discrimination with respect to, any part of the PROJECT. OWNER shall at all times comply with the following requirements:

1. Title VI of the Civil Rights Act of 1964: This act provides that no person shall be excluded from participation, denied program benefits, or subject to discrimination based on race, color, and/or national origin under any program or activity receiving federal financial assistance.

2. Title VII of the Civil Rights Act of 1968 (The Fair Housing Act): This act prohibits discrimination in housing on the basis of race, color, religion, sex and/or national origin. This law also requires actions which affirmatively promote fair housing.
3. Restoration Act of 1987: This act restores the broad scope of coverage and clarifies the application of the Civil Rights Act of 1964. It also specifies that an institution which receives federal financial assistance is prohibited from discriminating on the basis of race, color, national origin, religion, sex, Disability or age in a program or activity which does not directly benefit from such assistance.
4. Section 109 of Title 1 of the Housing and Community Development Act of 1974 [42 U.S.C. 53091]: This Section of Title 1 provides that no person shall be excluded from participation (including employment), denied program benefits, or subject to discrimination on the basis of race, color, national origin, or sex under any program or activity funded in whole or in part under Title 1 of the Act.
5. The Fair Housing Amendment Act of 1988: This act amended the original Fair Housing Act to provide for the protection of families with children and people with disabilities, strengthen punishment for acts of housing discrimination, expand the Justice Department jurisdiction to bring suit on behalf of victims in federal district courts, and create an exemption to the provisions barring discrimination on the basis of familial status for those housing developments that qualify as housing for persons age 55 or older
6. The Age Discrimination Act of 1975: This act provides that no person shall be excluded from participation, denied program benefits, or subject to discrimination on the basis of age under any program or activity receiving federal funding assistance. Effective January 1987, the age cap of 70 was deleted from the laws. Federal law preempts any State law currently in effect on the same topic including: KRS 18A.140; KRS 344.040; 1 01 KAR 1 :350 Paragraph 11; 1 01 KAR 1 :375 Paragraph 2(3); 101 KAR 2:095 Paragraphs 6 and 7.
7. Section 504 of the Rehabilitation Act of 1973: It is unlawful to discriminate based on Disability in federally assisted programs. This Section provides that no otherwise qualified individual shall, solely by reason of his or her Disability, be excluded from participation (including employment), denied program benefits, or subjected to discrimination under any program or activity receiving federal funding assistance. Section 504 also contains design and construction accessibility provisions for multi-family dwellings developed or substantially rehabilitated for first occupancy on or after March 13, 1991.
8. The Americans with Disabilities Act of 1990 (ADA): This act modifies and expands the Rehabilitation Act of 1973 to prohibit discrimination against "a qualified individual with a Disability" in employment and public accommodations. The ADA requires that an individual with a physical or mental impairment who is otherwise qualified to perform

the essential functions of a job, with or without reasonable accommodation, be afforded equal employment opportunity in all phases of employment.

9. Executive Order 11063: This executive order provides that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in housing and related facilities provided with federal assistance and lending practices with respect to residential property when such practices are connected with loans insured or guaranteed by the federal government.

10. Executive Order 11259: This executive order provides that the administration of all federal programs and activities relating to housing and urban development be carried out in a manner to further housing opportunities throughout the United States.

11. The Equal Employment Opportunity Act: This act empowers the Equal Employment Opportunity Commission (EEOC) to bring civil action in federal court against private sector employers after the EEOC has investigated the charge, found "probable cause" of discrimination, and failed to obtain a conciliation agreement acceptable to the EEOC. It also brings federal, state, and local governments under the Civil Rights Act of 1964.

12. The Uniform Guidelines on Employee Selection Procedures adopted by the Equal Employment Opportunity Commission in 1978: This manual applies to employee selection procedures in the areas of hiring, retention, promotion, transfer, demotion, dismissal, and referral. It is designed to assist employers, labor organizations, employment agencies, licensing and certification boards in complying with the requirements of federal laws prohibiting discriminatory employment.

13. The Vietnam Era Veterans' Readjustment Act of 1974 (revised Jobs for Veterans Act of 2002): This act was passed to ensure equal employment opportunity for qualified disabled veterans and veterans of the Vietnam War. Affirmative action is required in the hiring and promotion of veterans.

14. Executive Order 11246: This executive order applies to all federally assisted construction contracts and subcontracts. It provides that no person shall be discriminated against on the basis of race.

M. <u>Duplication of Benefits</u>: OWNER understands and agrees to comply with the Duplication of Benefits requirements of CDBG-DR, in accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121-5207) (Stafford Act) and Federal Register Notice published June 20, 2019 (84 FR 28836).

N. <u>Article XXXIV</u>: This CDBG-DR MHP funded PROJECT must be in compliance with article XXXIV, section 1 of the California Constitution ("Article XXXIV"), or that it falls within one or more of the statutory carveouts set forth by California's Public Housing Election Implementation Law (PHEIL) (Health & Saf. Code, §§ 37000 – 37002). For instance, some Projects will be exempt from Article XXXIV on the basis of Health and Safety Code section 37001, subdivision (f), because they consist of the "replacement" of "dwelling units of a previously existing low-rent housing project, or a project previously or currently occupied by lower income households.

O. Construction Wage Related Requirements: OWNER agrees to comply with the TOWN issued documents related to Labor Compliance for the project which includes is but not limited to the following.

1. Contract Work Hours and Safety Standards Act: OWNER agrees to comply with the Contract Work Hours and Safety Standards Act (40 U.S.C. §327-333), as supplemented by the Department of Labor regulations contained in 29 CFR Part 5.

2. Prevailing wages: The PROJECT meets the federal prevailing wage threshold of 8 or more CDBG-DR MHP assisted units and may also be subject to State prevailing wage requirements. OWNER agrees to comply with such prevailing wage requirements. The federal requirements can be found at 2 CFR 200 Appendix II (D); 29 CFR Parts 1, 3,5,6, and 7. OWNER will make the records of compliance with prevailing wage requirements available to TOWN, as required pursuant to the issued manual for compliance.

3. Copeland "Anti-Kickback" Act: OWNER agrees to comply with the Copeland "Anti-Kickback" Act (18 U.S.C. §874) as supplemented by the Department of Labor regulations contained in 29 CFR Part 3.

P. Resident Aliens: OWNER agrees to comply with the requirements set forth in 24 CFR Section 570.613 regarding eligibility restrictions for certain resident aliens.

Q. Debarment and Suspension: In connection with this PROJECT, OWNER shall comply with the debarment and suspension requirements set forth in 24 CFR Part 5 and 24 CFR Part 24. OWNER shall not enter into a contract with any person, agency or entity that is debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549 or 12689. In the event that OWNER has entered into a contract or subcontract with a debarred or suspended party, no CDBG-DR MHP funds will be provided as reimbursement for the work done by that debarred or suspended contractor or subcontractor. All contractors must provide an active registration under the Sam.gov site prior to entering into a contract for the project.

R. Historic Preservation: To the extent applicable, OWNER agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the PROJECT.

S. CDBG-DR MHP PROGRAM Mandatory Acknowledgements: OWNER will sign and abide by the "Lobbying Certification", Exhibit C; and "Conflict of Interest Certification" Exhibit D; at the end of this document, and with the related federal provisions.

III. Scope of PROJECT

A. Preconstruction and Other PROJECT Costs: OWNER shall pay all costs and expenses incurred in connection with this PROJECT, whether or not the Closing occurs, including by way of illustration and not limitation recording fees, title insurance costs related to the title policy in favor of the TOWN, escrow fees, flood zone determination fees, survey fees, appraisal costs, environmental and historic property review, and site inspection fees. This obligation shall survive any termination, avoidance, or cancellation of this Commitment AGREEMENT.

B. Construction: In all work under this contract, OWNER must adhere to all applicable federal, state, and local laws, codes, zoning, and other requirements relating to construction and housing safety, quality, and habitability.

   1. New construction must meet all requirements of the TOWN Building Department and the applicable California Building Codes.

   OWNER is responsible for managing work quality and flow, change orders, construction delays, and cost over-runs in an efficient manner. The quality of units upon completion must meet the TOWN's Standards, in order to be accepted. The TOWN reserves the right to inspect unit quality at any time during or following the construction process.

C. Accessibility: OWNER shall comply with Section 504 of the Rehabilitation Act of 1973, and the implementing regulations contained in 24 CFR Part 8. The PROJECT shall be accessible to and usable by individuals with handicaps, in compliance with the Architectural Barriers Act of 1968 (42 U.S.C. §§4151-4157), the Uniform Federal Accessibility Standards, as set forth in 24 CFR Section 570.614, and the Americans with Disabilities Act of 1990.

D. Green Building and Energy Efficiency: The TOWN requires OWNER to meet all State requirements regarding green building and energy-efficiency improvements in all CDBG-DR MHP activities to provide for long-term affordability and increased sustainability and attractiveness of housing and neighborhoods. This PROJECT is expected to meet all energy efficiency requirements as stated in the California Building Code and to meet CALGreen requirements.

   As a mandatory standard, this PROJECT is required to follow CALGreen requirements for construction permits and approvals. OWNER shall ensure CALGreen compliance in the Project plans and in the constructed development at construction close out, and shall provide records to TOWN verifying compliance, as requested.

E. Permits: OWNER agrees to obtain and maintain all necessary permits for intended improvements or activities for the PROJECT, and for the operation of the PROJECT. Evidence of having secured all necessary permits (or will issue letters from the Town subject only to the payment of fees) shall be provided to the TOWN prior to PROJECT closing.

F. Replacement Reserves: OWNER will execute a Replacement Reserve Agreement at the time of PROJECT Closing and will establish and maintain a Replacement Reserve Fund in accordance with the Replacement Reserve Agreement. OWNER will be responsible to annually (or monthly, at the discretion of OWNER) deposit funds for capital improvements to the property into the reserve, according to requirements outlined in the Replacement Reserve Agreement. The more stringent of the TOWN's or the permanent lender's replacement reserve requirements will govern the OWNER's reserve requirements.

G. Lease-up and Management of Property: OWNER is responsible for timely lease-up of the PROJECT, within the parameters outlined in this AGREEMENT, and is responsible for all facets of PROJECT management, including, but not limited to leasing, upkeep, maintenance, settling of disputes, recordkeeping, reporting, and payment of all related expenses and debts.

IV. CDBG-DR MHP Funding Information

Financing Terms: CDBG-DR MHP funding is being made available by the TOWN as a PROJECT Financing Loan ("CDBG-DR MHP Loan") to OWNER and may be used for both construction and permanent financing. A Deed of Trust, Promissory Note, a Junior CDBG-DR MHP Regulatory Agreement, a Senior CDBG-DR MHP Regulatory Agreement, a Replacement Reserve Agreement, and other closing documents, as required, shall be provided to OWNER prior to PROJECT closing. OWNER shall sign the Replacement Reserve Agreement and a lien shall remain on the property for the full term of the Period of Affordability.

A. Loan Terms: This loan will have the following terms.

1. Loan will have a three percent (3%) simple interest rate.
2. The total term of the loan will be fifty-five (55) years, as determined by the required Period of Affordability and the TOWN.
3. Collateral will be a subordinate (2nd) mortgage in favor of the TOWN for the term of the Period of Affordability.
4. Payments will not be required as long as the project remains in compliance.
5. OWNER will be the loan recipient.
6. The Loan shall be secured by two CDBG-DR MHP written regulatory agreements, a deed of trust, and evidenced by a promissory note.
7. The balance of the loan shall be repaid in full upon any default of any agreement referenced in this document, refinancing, sale, or transfer of the property during the term of the loan (other than for purposes of tax credit syndication or as a result of a foreclosure by a senior lender), unless the TOWN agrees to allow the loan obligations to transfer to a new owner.
8. Full repayment of the loan will also be required if the PROJECT goes into default of the AGREEMENT or CDBG-DR MHP regulatory agreement after the passage of applicable notice and cure periods.

NOTE: The loan term and affordability period does not begin until the PROJECT is complete and eligible tenants occupy the assisted units. The CDBG-DR Regulatory Agreement will be executed by the OWNER, in favor of the TOWN of Paradise in connection with the TOWN of Paradise CDBG-DR MHP Loan that will govern the affordability of the PROJECT, to be executed as of the date of closing and to be recorded with the Butte County Recorder's Office as it may be amended from time to time. The CDBG-DR Regulatory Agreements shall survive any other agreements or changes in property ownership and shall remain in place for the full twenty (20) year Period of Affordability, regardless of loan payoff.

V. Responsibilities of OWNER

A. Tasks to be Performed: The tasks to be performed are the development and management of affordable residential rental property, including acquisition, new construction, lease up, and property management. PROJECT documents required of OWNER by TOWN prior to closing, including the application for funding, those described in this section, and those listed in Attachment A to the Conditional Reservation Letter will be a part of this AGREEMENT, by reference.

B. OWNER shall be responsible for all management functions of the multifamily housing development including construction, rehabilitation, maintenance, selection of the tenants, annual recertification of Household income and size, and managing the units in accordance with program requirements.

C. OWNER is responsible for all repair and maintenance functions of the multifamily housing development, including ordinary maintenance and replacement of capital items. OWNER shall ensure maintenance of residential units, commercial space, and common areas in accordance with local health, building, and housing codes, TOWN inspection and repair requirements and the management plan.

D. OWNER shall ensure that the Project is managed by an entity approved by TOWN that is actively in the business of managing affordable housing. Any management contract entered into for this purpose shall be subject to TOWN approval and contain a provision allowing OWNER to terminate the contract upon 30-days' notice. **OWNER shall terminate said contract as directed by TOWN upon determination that management does not comply with program requirements.**

E. OWNER shall develop a management plan subject to TOWN approval prior to the start of construction. Any change to the plan shall be subject to the approval of TOWN. The plan shall be consistent with program requirements and should include the following:

1. The role and responsibility of OWNER and its delegation of authority.
2. Personnel policy and staffing arrangements.
3. Plans and procedures for publicizing and achieving early and continued occupancy.

4. Procedures for determining tenant eligibility and selecting tenants and for certifying and annually recertifying Household income and size.
5. Plans for carrying out an effective maintenance and repair program.
6. Rent collection policies and procedures.
7. A program for maintaining adequate accounting records and handling necessary forms and vouchers.
8. Plans for enhancing tenant-management relations.
9. The management agreement, if any.
10. Provisions for periodic update of the management plan.
11. Appeal and grievance procedures.
12. Plans for collections for tenant-caused damages, processing evictions and terminations.
13. A supportive services plan for Projects serving Special Needs Populations, including Supportive Housing and/or providing Supportive Services to the general tenant population.

F. Plans and Specifications: Thirty (30) days prior to closing, OWNER is to provide to the TOWN a copy of the PROJECT plans and specifications, in electronic format (PDF) including Architectural, Mechanical, Electrical and Plumbing specifications. Plans must be certified by the development architect to be 90% percent complete or better and include dimensions. Units must meet all CDBG-DR MHP requirements, applicable CalGreen and Wildlands-Urban Interface requirements, and the agreed upon design and accessibility requirements, as outlined in the final APPLICATION to the TOWN and in this AGREEMENT. The plans and specifications must be approved by the TOWN prior to PROJECT closing.

   In accordance with the Federal Register Notice requirement to support the adoption and enforcement of modern and/or resilient building codes and mitigation of hazard risk, structures located in any Fire Hazard Severity Zone within State Responsibility Areas, any Local Agency Very-High Fire Hazard Severity Zone, or any Wildland Urban Interface Fire Area designated by the enforcing agency must comply with WUI codes, found in Title 24, Chapter 7a of the California Building Code, which offer specific material, design and construction standards to maximize ignition- resistance.

G. Broadband Infrastructure. Per 83 FRN 40314, any Substantial Rehabilitation or new construction of a building with more than four rental units must include installation of broadband infrastructure, except where the Subrecipient documents that: 1) The location of the new construction or Substantial Rehabilitation makes installation of broadband infrastructure infeasible; 2) The cost of installing broadband infrastructure would result in a fundamental alteration in the nature of its program or activity or in an undue financial burden; or 3) The structure of the housing to be substantially rehabilitated makes installation of broadband infrastructure infeasible.

H. Construction Schedule: OWNER is to provide the TOWN with a detailed and final construction schedule by trade, and a lease up schedule for this PROJECT, thirty (30) days prior to closing.

I. PROJECT Budget: OWNER is to provide the TOWN with a detailed and final development, construction, and operating budget for this PROJECT, including all sources and uses, twenty (20) days prior to closing.

J. Commitments of other Funding Sources: OWNER is to provide to the TOWN letters of commitment for all PROJECT funds, including funding amounts and specifying all key business terms thirty (30) days prior to PROJECT closing. OWNER shall also identify any and all key conditions that need to be satisfied before each funder will be willing to close.

K. Construction Contract: OWNER must provide the TOWN with a fixed fee construction contract or contracts acceptable to the TOWN and its legal counsel thirty (30) days prior to the closing of the TOWN CDBG-DR MHP Loan, indicating a total construction contract cost, which is determined by the TOWN, in the exercise of its sole discretion, to be reasonable for the PROJECT.

L. Deadlines: OWNER must take title (in the case of acquisition) and have a fully executed construction contract for the PROJECT by May 31, 2024. Construction may not take place until a PROJECT closing has been held with the TOWN, all needed documents have been executed, and a notice to proceed has been issued by the TOWN. Construction shall begin within ninety (90) days of PROJECT closing, and within six (6) months of an execution of this PROJECT commitment. PROJECT construction should follow the construction schedule, including TOWN approved milestones associated with the acquisition, development, and lease-up of the units, and demonstrate progress toward this deadline by reaching milestones on the approved schedule. Due to strict federal and State deadlines, projects that do not reach milestones in a timely manner will be subject to rescission of CDBG-DR MHP funding.

M. Guarantees/Insurance: The contractor completing the construction work will be required to secure, and provide to the TOWN prior to closing, copies of all Guarantees provided to the equity investors for this PROJECT. This will be accepted in lieu of a Payment and Performance Bond for 100% of the construction contract. In addition, the contractor must carry adequate liability and hazard insurance for this PROJECT. Evidence of each must be provided to the TOWN of Paradise prior to PROJECT closing.

N. Cost certification: A third-party cost certification for this PROJECT is required. An independent accountant will be required to conduct a complete audit of the development and construction costs of this PROJECT. This cost certification should include original signatures from the accountant who prepared the forms, the OWNER, and the general contractor for the PROJECT. Receipt of a copy of the cost certification delivered to the California Tax Credit Allocation Committee by TOWN from OWNER shall satisfy the requirements of this section.

O. Housing Quality Standards: OWNER must maintain the property in a good, safe, attractive, and well-maintained condition, and in compliance with the Housing Quality Standards found at 24 CFR 982.401.

P. Reporting Requirements: OWNER agrees to supply TOWN with documentation concerning the PROJECT to ensure that TOWN is in compliance with its responsibilities therein regarding source documentation for all costs incurred. OWNER will also supply TOWN with regular reports throughout the development, construction, lease-up and affordability period. OWNER will provide the TOWN with any other needed information, as requested.

   During the construction and lease up period, OWNER is to provide the TOWN with sufficient documentation to demonstrate compliance with the prevailing wage and Section 3 requirements described in this AGREEMENT. OWNER acknowledges that the TOWN may withhold funding draw requests to OWNER until such time as OWNER demonstrates compliance with these CDBG-DR MHP provisions and as outlined in the Labor Compliance Manual and Section 3 Manual provided by the TOWN and must be included in every contract and subcontract issued for the project.

   During the construction and lease up period, OWNER is to provide the TOWN with copies of all draw requests to other funders, and all necessary documentation pursuant to draw request for CDBG-DR MHP funds, as described in VIA below. Any changes to the plans, specifications, and/or change orders to the construction contract in excess of $100,000 in a single instance and $250,000 in the aggregate shall be submitted to the TOWN for approval, provided, however that TOWN approval shall not be required for any change order that has been approved by the senior construction lender. Owner shall notify the Town of all change orders, and provide the Town with copies of all approvals made by the senior lender. Once a certificate of occupancy is issued, OWNER shall supply the TOWN with a monthly update on leases for CDBG-DR MHP funded units until 100% occupancy is achieved.

   OWNER will be required to collect and report information about the organization(s) responsible for oversight over the development and management of the property, including, but not limited to, an annual financial statement for the parent company of the OWNER within ninety (90) days after the end of the OWNER's fiscal year, and an audited statement within 270 days of the end of each fiscal year. The audit must be submitted annually throughout the development of the PROJECT, lease up, and the full CDBG-DR MHP affordability period. The TOWN may, at its sole cost and expense, conduct an audit of the OWNER's books and records maintained for the PROJECT at any time during the term of the affordability period.

Within ninety (90) days after the end of each fiscal year of OWNER, and at any other time upon the TOWN's request, a statement that identifies all owners of any interest in OWNER and the interest held by each, if OWNER is a corporation, all officers and directors of OWNER, and if OWNER is a limited partnership, all partners.

Within ninety (90) days of the end of each fiscal year of OWNER, OWNER will provide to the TOWN a calculation and certification of Surplus Cash for such fiscal year, in form and substance acceptable to the TOWN, and in accordance with the TOWN's requirements.

OWNER is required to collect and report information annually about the uses of funds throughout the full CDBG-DR MHP Period of Affordability of the PROJECT, including, but not limited to:

1. Annual certified rent-roll within ninety (90) days of the PROJECT's fiscal year end and at any other time upon the TOWN's request, including the name of each tenant, the household composition, the space occupied, the lease expiration date, the rent payable for the current month, the date through which rent has been paid, and any related information requested by the TOWN.
2. Operating budget comparing actual to projected income/expenses prepared by OWNER and property manager ninety (90) days following the PROJECT's fiscal year end.
3. Within ninety (90) days after the end of each fiscal year of OWNER, and at any other time upon the TOWN's request, an accounting of all security deposits held pursuant to all leases, including the name of the institution (if any) and the names and identification numbers of the accounts (if any) in which the security deposits are held and the name of the person to contact at such financial institution, along with any authority or release necessary for the TOWN to access information regarding such accounts.
4. Within ninety (90) days after the end of each fiscal year of OWNER, and at any other time upon the TOWN's request, provide the TOWN with copies of the annual Section 8 (HQS) property inspection report for the PROJECT.
5. On a monthly basis during the initial lease-up period, OWNER to provide the TOWN with the lease status and rental amount for each CDBG-DR MHP assisted property.
6. The OWNER must submit to the TOWN on an annual basis, or more frequently if requested, such marketing and occupancy data as requested by the TOWN.
7. OWNER must maintain as part of its PROJECT records (a) copies of all leases of units in the PROJECT, and (b) all initial and annual income certifications of tenants of the PROJECT. Within ninety (90) days after the end of each calendar year of occupancy of any portion of the PROJECT, OWNER must provide to the TOWN annual reports consisting of certifications regarding the annual and monthly gross and adjusted income of each household occupying a unit at the PROJECT. With respect to households which became occupants of the PROJECT in the prior year, the annual

report must be in a form reasonably approved by the TOWN and must contain such supporting documentation as the TOWN must reasonably require. In addition to the foregoing, OWNER must keep such additional records and prepare and submit to the TOWN such additional reports as the TOWN may reasonably deem necessary to ensure compliance with the requirements of the Affordable Housing Restriction and of the PROGRAM. **Failure to provide initial and annual income certifications to the TOWN may result in the recapture of CDBG-DR MHP funding from the OWNER.**

8. Upon the TOWN's request, a semi-annual property management report for the PROJECT, showing the number of inquiries made and rental applications received from tenants or prospective tenants and deposits received from tenants shall be provided by the OWNER to the TOWN every six months; and
9. Such other financial information and schedules as may be requested by the TOWN from time to time pertaining to the PROJECT, in its reasonable discretion.

OWNER acknowledges a continuing obligation to provide promptly to the TOWN any **information received or generated by OWNER, which information is materially relevant to the progress of the PROJECT toward OWNER, including without limitation updated development budgets, updated operating pro forma projections, information relating to sources of funds other than the TOWN, and information relating to building permits and other approvals.**

Failure to submit such information and reports can be cause for withholding CDBG-DR MHP funding draws to OWNER or require repayment by Owner to the TOWN of CDBG-DR funds following a written notice to OWNER by TOWN of such failure, and the completion of a 30 day cure period. The OWNER must perform the obligations set forth above for the duration of the Period of Affordability. OWNER must notify the TOWN of Paradise concerning any material changes in the PROJECT including, but not limited to, a change in property management, any actions or impending actions against the property which are reasonably likely to have a material adverse effect on the project, changes in ownership, etc.

Each of the statements, schedules and reports required by this section shall be certified to be complete and accurate by an individual having authority to bind OWNER and shall be in such form and contain such detail as the TOWN may reasonably require. The TOWN also may require that any statements, schedules, or reports be audited at OWNER's expense by independent certified public accountants acceptable to the TOWN.

Q. Record Keeping Requirements: OWNER shall comply with 2 CFR Part 200.333 regarding records that must be maintained for the PROJECT. OWNER shall maintain all PROJECT financial records, including source documentation to support how CDBG-DR MHP funds loaned to OWNER hereunder were expended, which includes, but is not limited to, invoices, schedules containing comparisons of budgeted amounts and actual expenditures, and other documentation as may be required by TOWN or HCD or HUD to support the expenditures for this PROJECT. All necessary records must also be kept as required to meet the above-described reporting requirements.

Any duly authorized representative of the TOWN, State, or HUD, after giving OWNER reasonable notice (minimum 2 weeks), must have access during normal business hours to and the right to inspect, copy, audit and examine all books, records, and other documents of OWNER until the completion of all close-out procedures respecting the use of CDBG-DR MHP Funds and until the final settlement and conclusion of all issues arising out of the use of such CDBG-DR MHP Funds. Additional record keeping requirements shall be set forth in the OWNER documents and shall include any record keeping requirements mandated by CDBG-DR MHP regulations, which shall survive termination of this AGREEMENT.

R. Monitoring: OWNER will allow on-site monitoring of the PROJECT by TOWN, State, or HUD or an agent on its behalf, at such times as TOWN, State, or HUD deems necessary or required, and TOWN, State, and/or HUD shall have the right, but shall be under no obligation, to conduct any reasonable monitoring to determine compliance with the CDBG-DR MHP Regulatory Agreement and this AGREEMENT, including but not limited to, the right to enter the PROJECT, to inspect the PROJECT, to inspect the books and records kept regarding the PROJECT, and the right to inquire and receive responses from OWNER regarding the PROJECT and its operation at any time that may be required by TOWN or HCD or HUD.

S. Funding of Operating Deficits: Pursuant to the guaranties provided to the Project tax credit investor, PWC will be required to fund any annual operating deficits in accordance with the OWNER's partnership agreement.

T. Insurance: OWNER shall be required to procure and maintain any and all insurance deemed necessary by the TOWN, in amounts and coverage required by the TOWN. All said insurance policies, where permitted by law, must name the TOWN as an additional insured or a mortgagee, as appropriate.

OWNER shall maintain for the duration of the AGREEMENT(s), at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by OWNER, its agents, employees, representatives, assigns or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

The TOWN must be listed as additional insured for liability arising out of activities performed by or on behalf of OWNER.

The insurer must indicate on the Certificate of Insurance that it agrees to defend, indemnify, and hold harmless the TOWN, its agents, servants, administrators, and technical assistance providers from any and all complaints arising out of work or duties to be performed under this AGREEMENT between the TOWN and OWNER.

Prior to PROJECT closing OWNER shall provide the TOWN evidence of insurability for the insurance standards listed below:

1. All insurance required herein shall be issued by companies licensed to do business in California, and which are rated not less than A/A- (excellent), Financial Size Category VII by A.M. Best.
2. Commercial General Liability insurance with commercial general liability form GC 00 01, with limits of at least $1,000,000 per occurrence and $1,000,000 in the aggregate covering death, bodily injury, and property damage. Coverage must include contractual liability, third party property damage, severability of interest, completed operations coverage maintained for at least three years beyond the date of the contractor's completion of the work, waiver of subrogation, and waiver of "cross claim exclusion between insureds."
3. Business auto liability insurance of at least $1,000,000 combined single limit, on all owned and non-owned leased and hired automobiles. Coverage must include contractual liability, third party property damage, severability of interest, completed operations coverage maintained for at least three years beyond the date of the contractor's completion of the work, waiver of subrogation, and waiver of "cross claim exclusion between insureds."
4. Umbrella and excess liability policies of at least $1,000,000 per occurrence and in the aggregate above the underlying General Liability and business auto policies. Coverage must include drop down features, concurrency of effective dates, aggregates in the primary insurance apply in the umbrella insurance, and waiver of subrogation.
5. The Commercial General Liability and business auto policies must name the TOWN of Paradise, California, their employees, officials, agents, consultants, and volunteers as additional insureds. Further these policies must waive subrogation claims against the aforesaid individuals.
6. OWNER shall require its contractors and subcontractors to provide Workers' Compensation Insurance coverage at the statutory limits required by the California Revised Code.
7. Professional Liability coverage: $1,000,000.00.
8. Builder's Risk and Hazard Insurance: OWNER shall have delivered to the TOWN certificates of Builder's Risk and Hazard Insurance in completed value form with extended coverage in the amount of the full value of the PROJECT, as completed.
9. Each policy required herein may not be canceled or materially changed except upon thirty days prior written notice given to: The TOWN of Paradise Town Manager, 5555 Skyway Road, Paradise, CA 95969, with copy to Cole Huber LLP, Attn: Paradise Town Attorney, 2281 Lava Ridge Court #300, Roseville, CA 95661.

10. Maintenance of the insurance required hereunder is a material element of this AGREEMENT. Material changes of the required coverage or cancelation of the coverage shall constitute a material breach of this AGREEMENT.

    Such certificates of insurance shall be issued by a company satisfactory to the TOWN, duly endorsed to show the interest of the TOWN under a standard non-contributing mortgagee clause addressed to the TOWN. OWNER agrees that the TOWN shall have the right to take any action necessary to continue said insurance in full force and effect including, but not limited to, paying premiums. Any funds advanced to continue the policies in full force and effect shall be considered as Draw Requests hereunder and shall bear interest from the date of disbursement at the same rate as other Draw Requests and payment of said funds and interest shall be secured by the Mortgage.

VI. Responsibilities of TOWN

A. Payment:

1. Reduction of Financing Loan: Notwithstanding anything to the contrary contained herein, the TOWN may reduce the principal amounts of the Indebtedness in the event the actual costs incurred by PWC in the development, and/or construction of the PROJECT were less than the estimated costs for the development, and/or construction of the PROJECT upon which the calculation of the principal amount of the Indebtedness as set forth in the AGREEMENT were based. The principal amounts of the CDBG-DR MHP Loan may be reduced based on the actual PROJECT costs incurred by PWC, the final amount, terms, and conditions of PWC's Permanent Loan, if any, and the final amount of any other sources of funds for the PROJECT. If the amount of CDBG-DR MHP Loan proceeds advanced to PWC prior to completion of the final subsidy layering analysis, exceeds the principal amount of the CDBG-DR MHP Loan supported by the Audit ("Excess Proceeds"), the TOWN may reduce the amount of the final disbursement, and PWC shall pay the TOWN the amount of any remaining Excess Proceeds in one lump sum payment within thirty (30) days of receiving written notice from the TOWN that the Excess Proceeds are due and payable. The foregoing notwithstanding, Excess Proceeds shall be applied first, to the extent applicable, to any deferred development fee owed to the Developer.

    OWNER hereby authorizes the TOWN to pay any and all expenses or other amounts for which OWNER is obligated under this Section from the proceeds of disbursement under the CDBG-DR MHP Loan, and no further authorization for such disbursement and payment shall be required from OWNER or any guarantor, if any. In no event shall the TOWN be obligated to make any such disbursement or payment and OWNER shall in any event remain unconditionally obligated to pay any and all such amounts. All obligations of OWNER under this Section shall be part of the obligations secured by the PROJECT encumbered by the Mortgage and the other Loan Documents.

2. Disbursement of Proceeds during Construction: The CDBG-DR MHP Loan proceeds shall be disbursed to or on behalf of OWNER, during the construction of the PROJECT, limited to not more than one (1) draw per month, based on the following:

   a. The total eligible construction and development expenditures incurred since the last draw, minus deferred developer fees, 10% retainage, and the final 5% of the CDBG-DR MHP Loan. HCD requires that TOWN withhold as retainage 10% of all CDBG-DR MHP funded Developer payments. No retainage payments shall be released to the Developer or reimbursed to the Subrecipient until receipt and approval by HCD of all required and approved Project closeout documents.

   b. All eligible expenditures must be supported by invoices or receipts.

   c. A property inspection report will be periodically performed by a representative of the TOWN and the Draw request must be approved by the Inspector representing the TOWN prior to consideration for payment.

   d. The total of all draw requests must not exceed the amount of the CDBG-DR MHP Loan.

   e. The final decision regarding payment of draw requests is at the sole but reasonable discretion of the TOWN.

   f. The remaining 5% of the Loan, along with any amounts held back as retainage, shall be released upon receipt by the TOWN of final certificates of occupancy (or their equivalents) for all buildings and units comprising the PROJECT, a final inspection by an agent of the TOWN, upon approval of HCD, and upon compliance with the other conditions to funding set forth in this AGREEMENT.

3. Preconditions for Funding of a Draw Request: Prior to each draw of CDBG-DR MHP Loan proceeds, the following conditions must be satisfied in the TOWN's sole discretion.

   a. OWNER shall have delivered to the TOWN the Draw Request for such disbursement for its approval, and any other certifications provided for herein or as requested by the TOWN in its reasonable discretion.

      i. The draw requests shall reflect claims for labor and materials completed prior to the submission of an invoice by the contractor, and not for labor and materials rendered thereafter.

      ii. The draw request shall be accompanied by copies of any and all relevant invoices and receipts, contractor lien waivers (subcontractor lien waivers are not required), inspection signoffs, and change orders.

      iii. The Draw request shall contain the architect or construction manager's determination or confirmation of the percentage of completion of the PROJECT for the purposes of the Draw Request.

b. There shall be at all times undisbursed loan funds (collectively held by the TOWN), which are sufficient to complete the agreed upon CDBG-DR MHP funded portion of the construction of the PROJECT.

B. Construction Progress Inspections: The TOWN has the right to review the construction documents and inspect the progress of construction upon the TOWN's request. OWNER must advise the TOWN of all scheduled construction draw request meetings and progress inspections. OWNER agrees to furnish copies of any and all draw requests and supporting documentation submitted to its other funders, lender and/or syndicator during construction, including, but not limited to, applicable wage and fair labor standard compliance laws, requirements, and regulations. OWNER agrees that all change orders in excess of $100,000 in a single instance and $250,000 in the aggregate will be submitted to the TOWN for its review and approval prior to the work being completed, provided, however that TOWN approval shall not be required for any change order that has been approved by the senior construction lender. The TOWN shall be notified of all change orders, and provided copies of all approvals by the senior lender within 30 days of execution.

C. Non-Compliance/Recapture Requirements: OWNER may be required to repay all, or a portion of the funds received. The reasons for recapture include, but are not limited to the following:

1. Failure to comply with the terms of this AGREEMENT.
2. Withdrawal from the Program prior to completion of the Project and/or failure to meet a National Objective.
3. Failure to meet the affordability requirements for the period specified in Section IIC above.
4. Use of program funds for an ineligible activity or cost.
5. Failure to report the receipt of additional insurance, SBA, FEMA, non- profit assistance and/or any other Duplication of Benefits received after award; and/or,
6. Funds are remaining after the Project is completed, or the expenditure deadline has passed.

The method of recapturing funds and the timeframe for doing so are at the reasonable discretion of the TOWN. However, the recapture method and timeframe will be consistent with 2 CFR part 200.

VII. Terms and Conditions of the AGREEMENT

A. CDBG-DR MHP Loan Closing Date: The Loan shall close on or before April 30, 2024 (the "Closing Date"). If a Loan has not closed on or before the Closing Date, and construction has not started by the Construction Start Date of July 31, 2024, this AGREEMENT may be terminated by TOWN, in its sole discretion, by written notice to OWNER, in which event TOWN shall no longer have any obligation to make the Loan, and OWNER shall have no further rights under this AGREEMENT.

B. Funding Contingency: Funding for this AGREEMENT is contingent on the availability of funds and continued authorization for PROGRAM activities and is subject to amendment or termination due to lack of funds, or authorization, reduction of funds, and/or change in regulations.

C. Amendments: The terms and conditions of this Commitment AGREEMENT may be amended only by a written AGREEMENT signed by both the TOWN and OWNER.

D. Term of this AGREEMENT: The duration of this AGREEMENT must extend through the Period of Affordability for this PROJECT, which will conclude twenty (20) years from the date of 100% lease-up of the CDBG-DR MHP funded units.

E. Notices: Any notice or similar communication concerning this AGREEMENT shall be in writing and shall be either delivered in person or sent to the other party by certified mail with return receipt requested. Notices shall be sent to the party's respective address as set forth in the preamble to this AGREEMENT or to such other address as either party may hereafter establish by notice given in the manner prescribed in this paragraph. A notice shall be considered given when delivered.

F. Governing Law and Dispute Resolution: The laws of the State of California shall govern this AGREEMENT. Should a dispute occur regarding any aspect of this AGREEMENT the parties agree to first seek mediation prior to taking legal action.

G. Breach of AGREEMENT: Failure of PWC to abide by the terms of this AGREEMENT or to provide information in a timely manner after written notice and an opportunity to cure will be a breach of this AGREEMENT. Remedies for a breach of this AGREEMENT shall include actions taken by the TOWN up to and including the termination of this AGREEMENT and the required return of TOWN CDBG-DR MHP funds.

H. Termination: TOWN hereby reserves for itself, its successors and assigns, the right to pursue all remedies, either at law or in equity, to enforce the conditions of this AGREEMENT. This right includes, but is not limited to, seeking specific performance of OWNER's obligations. TOWN may also, prior to closing, and in its sole and absolute discretion, declare this AGREEMENT null and void upon an event of default or breach by PWC of any of PWC's representations contained in the APPLICATION, or any of the terms and conditions of the PROGRAM or this AGREEMENT, in which event neither PWC nor TOWN shall have any further rights or obligations under this AGREEMENT, except for such obligations of PWC that are expressly stated to survive termination hereof.

I. Force Majeure: Neither party shall be responsible for any failure to comply with, or for any delay in performance of the terms of this AGREEMENT, where such failure or delay arises from: (i) acts of God, (ii) acts of the Government in its sovereign (and not contractual) capacity, (iii) fires, (iv) floods, (v) epidemics, (vi) quarantine restrictions, (vii) strikes, (viii) freight embargoes, (ix) unusually severe weather, or (x) shortages of supplies or materials where such supplies or materials were unobtainable from an alternate source. In all such events where performance is delayed or prevented, the affected party shall nonetheless exert reasonable and diligent efforts to remove said causes and resume performance hereunder.

J. Successors and Assigns: OWNER and TOWN each is hereby bound of OWNER and TOWN in respect to any covenants, AGREEMENTs, and obligations of this AGREEMENT.

K. Assumption of liability and Indemnification: Upon execution of this AGREEMENT, OWNER shall agree to assume all liability for and protect, indemnify and hold harmless the TOWN and their technical assistance providers, along with their agents, officers, employees, and contractors from and against all actions, claims, demands, judgments, losses, expense of suits or actions and attorney fees for injuries to, or death of, any person or persons and loss or damage to the property of any person, or persons, whomsoever, including the parties hereto, and their agents, contractors, sub-contractors, officers and employees, arising in connection with or as a direct or indirect result of entering into and performance of this AGREEMENT, whether or not due to or arising out of the acts of any party thereto or its agents, contractors, sub-contractors, officers and employees, or by or in consequence of any negligence or carelessness in connection with the same or on account of liability or obligation imposed directly or indirectly upon the TOWN by reason of any law of the State of California or the United States, now existing or which shall hereafter be enacted, imposing any liability or obligations, or providing for compensation to any person or persons on account of or arising from the death of, or injury to employees. Such assumption shall include liability for all environmental hazards, including toxic waste, lead-based paint, and asbestos. Said OWNER shall pay, settle, compromise, and procure the discharge of any and all claims and all such losses, damages, and expenses.

L. General Provisions: This instrument contains the entire AGREEMENT between the parties. No statement, promises, or inducements made by any party hereto or agent of either party hereto which is not contained in this written AGREEMENT, shall be valid or binding. This AGREEMENT shall not be modified except in writing and signed by both parties.

   1. This AGREEMENT and any exhibits attached constitute the sole and entire AGREEMENT between the parties with regard to the subject matter hereof. No party may rely on any representation, which allegedly induced that party to enter into this AGREEMENT, unless the representation is recorded herein.

   2. Should any provision of this AGREEMENT be judged by an appropriate court of law as invalid, it shall not affect any of the remaining provisions whatsoever.

   3. The failure of the TOWN in any instance to insist upon a strict performance of any term of this AGREEMENT, or to exercise any option hereunder, shall not be constituted as a waiver or relinquishment for the future of such term or option.

4. No party may cede any of its rights or delegate or assign any of its obligations in terms of this AGREEMENT without the prior written consent of the other parties.

5. This AGREEMENT will be invalid unless signed and returned to the TOWN by April 15, 2024. A copy of this AGREEMENT was provided to OWNER for its records. OWNER's acceptance of this commitment is acknowledged by executing this AGREEMENT below and returning the same to:

   Mr. James Goodwin, Town Manager
   The Town of Paradise
   5555 Skyway Road
   Paradise, CA 95969

THE TOWN OF PARADISE, CALIFORNIA

____
(signature)

James Goodwin, Town Manager

4/19/2024
(Date)

AGREED AND ACCEPTED:

PARADISE SENIOR ASSOCIATES, A CALIFORNIA LIMITED PARTNERSHIP

By: TPC HOLDINGS IX, LLC,
an Idaho limited liability company
Its: Administrative General Partner

By: Pacific West Communities, Inc.,
an Idaho corporation
Its: Manager

By: ______________________
Name: Caleb Roope
Its: President and CEO

PARADISE SENIOR ASSOCIATES, A CALIFORNIA LIMITED PARTNERSHIP

By: Butte County Affordable Housing Development Corporation
a California Nonprofit Public Benefit Corporation
Its: Managing General Partner

By:
Name: Edward S. Mayer
Its: President

Exhibit A

LEGAL DESCRIPTION OF THE PROPERTY

Real property in the Town of Paradise, County of Butte, State of California, described as follows:

A PORTION OF LOT 41, AS SHOWN ON THAT CERTAIN MAP ENTITLED, "OFFICIAL MAP OF THE SUBDIVISION OF SECTION 1, TOWNSHIP 22 NORTH, RANGE 3 EAST, MDM", WHICH MAP WAS RECORDED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF BUTTE, STATE OF CALIFORNIA, ON JUNE 12, 1922, IN BOOK "A" OF MAPS, AT PAGE(S) 12 AND 13, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 41; THENCE SOUTH 89 DEG. 40' WEST, 30 FEET TO A POINT IN THE WESTERLY LINE OF PENTZ ROAD, AS SHOWN ON SAID MAP AND THE TRUE POINT OF BEGINNING FOR THE PARCEL TO BE DESCRIBED; THENCE SOUTH 0 DEG. 09' EAST ALONG THE WESTERLY LINE OF SAID ROAD, A DISTANCE OF 185.0 FEET; THENCE LEAVING SAID ROAD, SOUTH 89 DEG. 40' WEST, 392.0 FEET; THENCE NORTH 0 DEG. 09' WEST, A DISTANCE OF 185.0 FEET TO A POINT IN THE NORTHERLY LINE OF SAID LOT 41; THENCE NORTH 89 DEG. 40' EAST ALONG SAID NORTHERLY LINE, A DISTANCE OF 392.0 FEET TO THE POINT OF BEGINNING.

APN: 050-082-023-000

Exhibit B

Current CDBG-DR MHP Rent Standards at the Time of the Signing of this AGREEMENT

2023 Maximum rent standards for Chico, CA MSA* (Subtract tenant paid utility allowance to determine maximum actual rents)				
Unit size	**1 bedroom**			
For 30% units meeting the Deep Affordability requirement, Affordable Rents shall not exceed the 30% income level maximum rent limits published by the California Tax Credit Allocation Committee.	$464			
HIGH HOME RENT: The remaining eighteen (18) of the twenty (20) CDBG-DR MHP assisted units must be at or below this level.	$941			

*The rent standards above must be reduced if the tenant pays for utilities. This is because the calculation of these rent standards includes all utilities except telephone. Yet, in practice many utilities (water, heat, air conditioning, cooking gas, etc.) are not included in rents. Utility allowances provide a mechanism for adjusting the maximum allowable HOME rents when the tenant pays some or all utilities.

OWNER must use the HUD Utility Schedule Model (HUSM), or the standards used by the local Housing Authority to calculate tenant paid utilities and include the completed model in their APPLICATION. The model, along with instructions and other related data and information is currently found on the HUD.gov web page. These utility calculations should then be used to adjust the rents.

Exhibit C

CDBG-DR MHP PROGRAM Mandatory Acknowledgement "Lobbying Certification"

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies that to the best of his or her knowledge and belief.

(1) No federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an office or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Division 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $1,000,000 for each such failure.

WITNESSES: SUBRECIPIENT, DEVELOPER, CONTRACTOR OR SUBCONTRACTOR:

1. ____________ Signature: ____________

2. ____________ Title: Pres./CEO Pacific West Builders, Inc.

Date: 4/18/24

Exhibit D

CDBG-DR MHP PROGRAM Mandatory Acknowledgement "Conflict of Interest" Certification

The Town of Paradise is required by HUD to include a Conflict-of-Interest clause to all contracts. Please be aware that these requirements will apply if you are awarded a contract with the Town of Paradise.

The Contractor warrants that its participation in this contract will conform to the requirements of all applicable CDBG-DR MHP regulations including 2 CFR, Part 200, and 24 CFR 570.611, and further warrants that such participation will not result in any organizational conflict of interest. Organizational Conflict of Interest is defined as a situation in which the nature of work under this contract and the Contractor's organizational, financial, contractual, or other interests are such that:

a. Award of the contract may result in an unfair competitive advantage; or The Contractor's objectivity in performing the contract work may be impaired.

b. In the event the Contractor has an organizational conflict of interest as defined herein, the Contractor shall disclose such conflict of interest fully in the submission of the proposal and/or during the life of the contract.

c. The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, he or she shall make an immediate and full disclosure in writing to the Town Manager, which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The Town of Paradise may, however, terminate the contract if it is in best interest of the Town.

d. In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Town Manager, the Town of Paradise may terminate the contract for default.

e. The provisions of this clause shall be included in all subcontracts and consulting Agreements.

f. No federal, state, or local elected official, nor any employee of The Town of Paradise, nor any corporation owned or controlled by such person, shall be allowed to participate in any share or part of this contract or to realize any benefit from it. This provision shall be construed to extend to this contract if made with a corporation for its general benefit.

g. No member, officer, or employee of The Town of Paradise, no member of the governing body of The Town of Paradise or any other local government and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the PROJECT, shall, during his or her tenure, or for one (1) year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

h. The Town of Paradise reserves discretion to determine the proper treatment of any conflict of interest disclosed under this provision.

Witnesses:	Sub-recipient, Developer, Contractor, or Subcontractor:
1. ______	Signature: ______
2. ______	Title: PRES / CEO PACIFIC WEST BUILDERS, INC.
	Date: 4/18/24

Exhibit E

Tenant Selection Plan

RESIDENT SCREENING AND SELECTION PROCESS

CAMBRIDGE
real estate services

Thank you for applying to live at our community. This criteria is provided to you to define the process we use to select our residents. This criteria applies to Tax Credit Section 42 and rental complexes with USDA RD loans. Cambridge Real Estate Services is an Equal Housing Opportunity provider, and seeks to process all applicants in a fair and consistent manner.

This institution is an equal opportunity provider.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D. C. 20250-9410; fax: (202) 690-7442; or email: program.intake@usda.gov.

OCCUPANCY POLICY

1. Occupancy is based on the number of bedrooms in a unit. A bedroom is defined as a habitable space within the premises that is used primarily for sleeping, with at least one window and a closet space for clothing.
2. Two persons are allowed per bedroom plus one additional occupant will be allowed for the apartment.
3. In addition to maximum occupancy guidelines, certain communities which have received funding from the HOME program may require minimum occupancy of 1 person for a one bedroom; 2 persons for a two bedroom; 4 persons for a three bedroom; and, 6 persons for a four bedroom apartment. Exceptions may be granted based on demonstrated need and following approval by government agencies and/or their designated program compliance administrators. Contact the site manager for further information regarding program restrictions and exceptions.
4. In order to provide housing to the greatest number of qualified individuals and comply with state and federal regulations, Cambridge Real Estate Services reserves the right to follow HUD, Rural Development and Tax Credit program guidelines designed to encourage the optimal utilization of housing. This may require that Cambridge declines applications in cases where the minimum number of occupants is less than one individual per bedroom for the apartment selected. This condition shall apply throughout the entire term of tenancy and may, if violated, require that the tenant vacate the premises following the legally required procedures for termination or, if all other conditions of residency continue to be met, relocate within the community (upon re-screening) to the next available apartment of appropriate size upon written notification from the landlord.

APPLICATION PROCESS

Steps to become a resident.

1. Complete the Rental Application (one for each adult). You must designate the number of bedrooms being requested and the application must be signed.
2. If an apartment is not available for occupancy when the application is submitted, you will be put on a waiting list. Your application will be screened and verified when an apartment becomes available prior to occupancy. Note: Inaccurate or falsified information will be grounds for denial.
3. Pay your non-refundable screening charge of $40.00. The screening charge is the cost of ordering a resident screening report. Screening entails verification that individual applicants meet the requirements listed below.
4. Be prepared to wait 5-7 business days for the application verification process to be completed. More time must be allowed if the information proves difficult to verify. All verification forms including but not limited to Income Verifications, Employment Verifications and Asset Verification must be completed by qualified third parties before your application will be approved.
5. If the application is approved and you accept the available unit, you will be required to: 1) sign a minimum 6 month lease in which you will agree to abide by all the rules and regulations; and 2) pay your security deposit and pro-rated rent for the month. (After the 25th of the month, the following month's rent will be required as well.)
6. If the application is approved and you decide not to rent or the application is denied you will forfeit your $40.00 non-refundable screening charge.
7. You are encouraged to read the lease agreement at the time of application. If you require assistance in completing the application, please contact the Manager.

GENERAL REQUIREMENTS

1. Positive identification with a picture will be required for each adult applicant (photocopy may be kept on file).
2. A complete and accurate Rental Application listing your current and at least one previous rental reference with phone numbers will be required (incomplete applications will be returned to the applicant).
3. Each legal applicant will be required to qualify individually. Any legal applicant who fully meets the criteria for this property may be admitted regardless of the qualification status of any co-applicants.
4. Applicants must be eighteen years of age or older, married, emancipated, or under the age of 18 and (a and/or b):
   a) pregnant and expecting the birth of a child who will be living in the primary applicant's physical custody;

b) the parent of a child or children living in the physical custody of the person.

5. Household consisting solely of full time students may not qualify. Consult Manager for exceptions.
6. Except for the birth, adoption or custody of a minor dependent, there shall be no changes in the household composition within the first six months of residency.
7. If applicant has a portable Section 8 voucher, they will be required to surrender that voucher when applying for a housing unit which has project based subsidy.
8. Applicant must remain continuously eligible for all housing program requirements in place at the community. This may include, but is not limited to, the Low Income Housing Tax Credit program, the HOME program, and other assistance programs.
9. If the household is applying for housing with rental assistance, household must qualify for both housing and for rental assistance in order to be judged eligible to occupy the dwelling.

INCOME REQUIREMENTS

1. Gross annual income shall not exceed the Rural Development (or gross annual income for L.I.H.T.C. where applicable) income limits. All forms of income must be disclosed. Information on the limits is available from the resident manager. In addition, gross income for the rental of units at the basic rent level (not subsidized) shall be 2.5 times the rent level. Failing this, the applicant may also demonstrate to the landlord's satisfaction the ability to meet all normal financial obligations, including payment of rent.
2. Three months current consecutive paycheck stubs may be required to verify eligibility.
3. Self employed applicants will be required to show proof of income through copies of the previous year's tax returns.
4. You will be denied if your source of income cannot be verified.

RENTAL REQUIREMENTS

1. One year of positive verifiable rental history from a third party reference will be required within the past two years from the date of application.
2. Rental history demonstrating residency, but not third party rental history, will require a security deposit equal to a full month's rent.
3. A security deposit equal to one full month's rent for first time renters will be required when rental history does not meet the stated third party rental criteria, but residency can be verified with parents, student housing or military housing.
4. Home ownership will be verified through the county tax assessor's office. Home ownership negotiated through a land sales contract must be verified through the contract holder.
5. Seven years of eviction free rental history will be required.
6. Three 72-hour notices (or 144-hour notices) within a period of one year will result in a security deposit equal to 1 months rent or maximum allowable under agency regulations. Four or more 72 hour notices (or 144-hour notices) within a period of one year will result in denial.
7. Three or more NSF checks within a period of one year will result in denial.
8. Rental history reflecting damage and/or past due rent will require a security deposit equal to a full month's rent or maximum allowable under agency regulations (when the debt is settled).
9. Rental history reflecting unpaid damage and/or past due rent will be denied.
10. Rental history demonstrating documented noise or disturbance complaints caused or contributed to by applicant, will be denied when the former manager would not re-rent.

CREDIT REQUIREMENTS

1. A credit report will be obtained.
2. Outstanding bad debt (i.e. slow pay, collections, bankruptcies, repossessions, liens, judgement & wage garnishment programs not medically related) being reported on the credit bureau which is more than $2,500 will require a deposit equal to a full month's rent.
3. Fifteen or more collections on the credit bureau will result in denial.
4. Discharged bankruptcy listed on the credit report will result in a security deposit equal to a full month's rent to be required. Bankruptcy with subsequent outstanding bad debt (as defined in #2) will result in denial.
5. Delinquent or past due mortgage payments without subsequent bad credit (as defined in #2, #3, and #4), will result in a security deposit equal to two full month's rent to be required, or maximum allowable under agency regulations.

CRIMINAL CONVICTION CRITERIA

Upon receipt of the Rental Application and screening fee, Owner/Agent will conduct a search of public records to determine whether applicant or any proposed resident or occupant has a "Conviction" (which means: charges pending as of the date of the application; a conviction; a guilty plea; or no contest plea), for any of the following crimes: drug-related crime; person crime; sex offense; crime involving financial fraud, including identity theft and forgery; or any other crime if the conduct for which applicant was convicted or is charged is of a nature that would adversely affect property of the landlord or a tenant or the health, safety or right of peaceful enjoyment of the premises of residents, the landlord or the landlord's agent. Owner/Agent will not consider a previous arrest that did not result in a Conviction or expunged records.

If applicant, or any proposed occupant, has a Conviction in their past which would disqualify them under these criminal conviction criteria, and desires to submit additional information to Owner/Agent along with the application so Owner/

Agent can engage in an individualized assessment (described below) upon receipt of the results of the public records search and prior to a denial, applicant should do so. Otherwise, applicant may request the review process after denial as set forth below, however, see item (c) under "Criminal Conviction Review Process" below regarding holding the unit.

A single Conviction for any of the following, subject to the results of any review process, shall be grounds for denial of the Rental Application.

a) Felonies involving: murder, manslaughter, arson, rape, kidnapping, child sex crimes, or manufacturing or distribution of a controlled substance.
b) Felonies not listed above involving: drug-related crime; person crime; sex offense; crime involving financial fraud, including identity theft and forgery; or any other crime if the conduct for which applicant was convicted or is charged is of a nature that would adversely affect property of the landlord or a tenant or the health, safety or right of peaceful enjoyment of the premises of the residents, the landlord or the landlord's agent, where the date of disposition has occurred in the last 7 years.
c) Misdemeanors involving: drug related crimes, person crimes, sex offenses, domestic violence, violation of a restraining order, stalking, weapons, criminal impersonation, possession of burglary tools, financial fraud crimes, where the date of disposition has occurred in the last 5 years.
d) Misdemeanors not listed above involving: theft, criminal trespass, criminal mischief, property crimes or any other crime if the conduct for which applicant was convicted or is charged is of a nature that would adversely affect property of the landlord or a tenant or the health, safety or right of peaceful enjoyment of the premises of the residents, the landlord or the landlord's agent, where the date of disposition has occurred in the last 3 years.
e) Conviction of any crime that requires lifetime registration as a sex offender, or for which applicant is currently registered as a sex offender, will result in denial.

Criminal Conviction Review Process.

Owner/Agent will engage in an individualized assessment of the applicant's, or other proposed occupant's, Convictions if applicant has satisfied all other criteria (the denial was based solely on one or more Convictions) and:

(1) Applicant has submitted supporting documentation prior to the public records search; or
(2) Applicant is denied based on failure to satisfy these criminal criteria and has submitted a written request along with supporting documentation.

Supporting documentation may include:

i) Letter from parole or probation office;
ii) Letter from caseworker, therapist, counselor, etc.;
iii) Certifications of treatments/rehab programs;
iv) Letter from employer, teacher, etc.
v) Certification of trainings completed;
vi) Proof of employment; and
vii) Statement of the applicant.

Owner/Agent will:

(a) Consider relevant individualized evidence of mitigating factors, which may include: the facts or circumstances surrounding the criminal conduct; the age of the convicted person at the time of the conduct; time since the criminal conduct; time since release from incarceration or completion of parole; evidence that the individual has maintained a good tenant history before and/or after the conviction or conduct; and evidence of rehabilitation efforts. Owner/Agent may request additional information and may consider whether there have been multiple Convictions as part of this process.
(b) Notify applicant of the results of Owner/Agent's review within a reasonable time after receipt of all required information.
(c) Hold the unit for which the application was received for a reasonable time under all the circumstances to complete the review unless prior to receipt of applicant's written request (if made after denial) the unit was committed to another applicant.

DISABLED ACCESSIBILITY

1. The property will make any reasonable changes to the common areas of the apartment complex or buildings that will make those areas accessible to all residents.
2. Cambridge Real Estate Services will alter, or allow the resident to have altered, any apartment to provide "reasonable accommodations" for any person with a disability. These alterations may be made at the tenant's or in some cases, the landlord's expense. Each request for modifications to an apartment will be evaluated under state and federal law to determine who will be responsible for the cost. The applicant is encouraged to inquire of management regarding who is responsible for modifications to the apartment prior to applying for housing.
3. If it is determined that the disabled resident would be responsible for the cost of modifications, Cambridge Real Estate Services will require:
    - The applicant to seek the landlord's written approval before making modifications.
    - Reasonable assurance (in writing) that the work will be performed in a workmanlike manner.
    - Reasonable details regarding the extent of the work to be done.
    - Names of qualified contractors that will be used.
    - Appropriate building permits and the required licenses must be made available for inspection by the landlord.

4. Generally, if the applicant modifies the apartment, at the time of termination of tenancy, the applicant of tenant must restore the interior of the apartment to the condition prior to the modification, ordinary wear and tear excepted. In the event such restoration will be required, the applicant or tenant would be required to pay a "restoration deposit" in an amount not to exceed the cost of restoration. Such a deposit may be paid over a reasonable period of time and will be deposited into an interest bearing account with the interest accruing to the tenant.
5. Households able to benefit from the unique features of apartments specially equipped or configured for those with disabilities shall be given priority for available housing over households who have no demonstrated need for such features.
6. Applicant acknowledges that if they are occupying a specially designed accessible unit for disabled persons and do not need such accessible features, that priority for such an accessible unit is given to those disabled persons needing the special design features of the unit. Applicant agrees that they will be required to vacate the unit within 30 days of notification from Landlord that an eligible individual requires the special design features of the unit. Applicant further agrees to move at their own expense (unless otherwise agreed by Landlord in writing) within 30 calendar days of such written notice. Applicant further understands that, if the applicant moves to an appropriate unit within the project, their rental rate will change to the rental rate for the unit they move to and the lease will be modified accordingly.

REJECTION POLICY

Applicants whose application is denied will be advised in writing, sent via certified mail, return receipt requested, to the address on the application, giving the specific reasons for the denial and advising the applicant of specific appeal rights in accordance with Rural Development Instruction 3560.160. Applicants have the right to respond to the notice within 10 calendar days of receipt of the notice. Applicants have the right to a hearing in accordance with 3560.160 (f) which is available upon request.

You have the right to dispute the accuracy of any information provided to the landlord by a screening service or credit reporting agency. If your application is rejected due to unfavorable information received during the screening process you may:

1. Contact the screening company that supplied the information to discuss your application. The screening company that processed your application is Background Investigations. Their name and the reference number for your file will be printed on the acceptance or denial letter.
   Background Investigations
   27600 SW 95th Avenue, Suite 100
   Wilsonville, OR 97070
2. Contact the credit reporting agency to identify who is reporting unfavorable information.
3. Correct any incorrect information through the credit reporting agent as per their policy.
4. Request the credit reporting agency to submit a corrected credit check to the appropriate screening company.
5. Upon receipt of the corrected and satisfactory information, your application will be evaluated again for the next available apartment.

Be advised:

- Incomplete, inaccurate or falsified information will be grounds for denial.
- Any applicant that is a current illegal drug user or addicted to a controlled substance or has been convicted by any court of competent jurisdiction of the illegal manufacture or distribution of a controlled substance shall be denied.
- Any individual whose tenancy may constitute a direct threat to the health or safety of an individual, or whose tenancy would result in physical damage to the property of others will be denied.
- Applications and background screenings will be valid for a 90 day period from the date of submission. If the applicant(s) fails to execute a rental agreement within the stated 90 day period, an updated application/ background screening will need to be obtained with costs paid by the applicant.
- The Criteria for Residency applies throughout the duration of tenancy. Management reserves the right to update records to confirm continued eligibility for housing.

If your application has been denied and you feel that you qualify as a resident under the criteria set out above, you should do the following:

Write to: Equal Housing Opportunity Manager
Cambridge Real Estate Services
P.O. Box 2968, Portland, OR 97208
(503) 450-0230

In the letter explain the reasons you believe your application should be approved and request a review of your file. Within seven working days of receipt of your letter, your application file will be reviewed and you will be notified of the outcome of the review. Please be aware that an apartment cannot be held during the appeal process.

Complaints of housing discrimination must be written and directed to both of the following:

Cambridge Real Estate Services
President
P.O. Box 2968
Portland, OR 97208

and

USDA
Director, Office of Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250

AFFORDABLE HOUSING APPLICATION

CAMBRIDGE
real estate services

PLEASE FILL OUT THIS APPLICATION COMPLETELY. ALL BLANKS MUST BE FILLED IN BEFORE THE APPLICATION WILL BE CONSIDERED COMPLETE AND CAN BE PROCESSED FOR ELIGIBILITY. IF THE BLANK DOES NOT APPLY TO YOUR SITUATION PUT N/A IN THE BLANK.

☐ ID Verified

MANAGER USE ONLY
DATE RECEIVED ______
TIME RECEIVED ______
MANAGER INITIAL ______

PROJECT CODE/PROPERTY NAME Lincoln Senior Apts.	UNIT #
HAVE YOU APPLIED (AND PAID AN APPLICATION FEE) TO ANY OTHER CAMBRIDGE-MANAGED PROPERTY WITHIN THE PAST 60 DAYS? ☐ YES ☐ NO IF YES, WHICH PROPERTY?	
HEAD OF HOUSEHOLD (Last, First, Middle Initial)	
APPLICANT'S FULL NAME (Last, First, Middle Initial)	PHONE #

BIRTH DATE	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE #	EMAIL
STUDENT? ☐ YES ☐ NO	Is this person a legal dependant of the Head of Household? ☐ YES ☐ NO		

PLEASE LIST ALL COUNTIES YOU HAVE RESIDED IN DURING THE PREVIOUS 7 YEARS

CURRENT STREET ADDRESS	**CITY**	**STATE**	**ZIP**
HOW LONG AT CURRENT ADDRESS?	ARE YOU PRESENTLY RENTING?	MONTHLY RENT	REASON FOR MOVING
CURRENT LANDLORD NAME		CURRENT LANDLORD PHONE NUMBER	
CURRENT LANDLORD ADDRESS	CITY	STATE	ZIP
PREVIOUS STREET ADDRESS	**CITY**	**STATE**	**ZIP**
HOW LONG AT PREVIOUS ADDRESS?			
PREVIOUS LANDLORD NAME		PREVIOUS LANDLORD PHONE NUMBER	
PREVIOUS LANDLORD ADDRESS	CITY	STATE	ZIP

If you did not live at your current or previous residence for at least two (2) years, please complete the following information:

OTHER PREVIOUS STREET ADDRESS	**CITY**	**STATE**	**ZIP**
HOW LONG AT OTHER PREVIOUS ADDRESS?	OTHER PREVIOUS LANDLORD NAME		
OTHER PREVIOUS LANDLORD ADDRESS	CITY	STATE	ZIP

LIST ALL OTHER PERSONS WHO WISH TO RESIDE IN YOUR UNIT:
Please print full name – last, first, middle initial. Include unborn children, if applicable.

SPOUSE (Last, First, Middle Initial)

BIRTH DATE	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE #
STUDENT? ☐ YES ☐ NO	Is this person a legal dependant of the Head of Household? ☐ YES ☐ NO	

NAME (Last, First, Middle Initial)

BIRTH DATE	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE #
STUDENT? ☐ YES ☐ NO	Is this person a legal dependant of the Head of Household? ☐ YES ☐ NO	

NAME (Last, First, Middle Initial)		
BIRTH DATE	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE #
STUDENT? ☐ YES ☐ NO	Is this person a legal dependant of the Head of Household? ☐ YES ☐ NO	
NAME (Last, First, Middle Initial)		
BIRTH DATE	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE #
STUDENT? ☐ YES ☐ NO	Is this person a legal dependant of the Head of Household? ☐ YES ☐ NO	
NAME (Last, First, Middle Initial)		
BIRTH DATE	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE #
STUDENT? ☐ YES ☐ NO	Is this person a legal dependant of the Head of Household? ☐ YES ☐ NO	

DO YOU DECLARE THAT ALL MEMBERS OF THE HOUSEHOLD ARE LEGAL U.S. CITIZENS, INCLUDING HOLDING REGISTERED ALIEN STATUS? ☐ YES ☐ NO

DOES ANYONE IN HOUSEHOLD REQUEST A SPECIAL HANDICAP ACCESSIBLE UNIT? ☐ YES ☐ NO IF YES, PLEASE SPECIFY UNIT TYPE REQUIRED:

HAVE YOU OR ANY MEMBER OF YOUR HOUSEHOLD BEEN A FULL TIME STUDENT AT ANY TIME DURING THIS CALENDAR YEAR? ☐ YES ☐ NO

ARE THERE ANY HOUSEHOLD MEMBERS OVER THE AGE OF 17 THAT ARE PART-TIME/FULL-TIME STUDENTS? (HUD PROPERTIES ONLY) ☐ YES ☐ NO

SOURCES OF INCOME: List all income sources.

This includes, but is not limited to, full and/or part-time employment, all income from Welfare Agencies, Social Security, Pensions, SSI, Disability, Armed Forces Reserves, Unemployment Compensation, Child Care, Alimony, Child Support, Student Grants, Income from sale of property, Interest on Assets, Dividends, Annuities, and Regular Contributions from people not residing with you. Income earned by members temporarily absent from the household must be included. Furthermore, household income must include income received by members 18 years of age or older; include pro-rata income for those members of the household anticipated to reach 18 years of age during the upcoming 12 month period.

FAMILY MEMBER NAME (Last, First, Middle Initial)
EMPLOYER, AGENCY, BANK, ETC. WHO ARE SOURCES OF INCOME TO YOU - LIST NAME AND ADDRESS OF SOURCES
ANNUAL GROSS INCOME $
FAMILY MEMBER NAME (Last, First, Middle Initial)
EMPLOYER, AGENCY, BANK, ETC. WHO ARE SOURCES OF INCOME TO YOU - LIST NAME AND ADDRESS OF SOURCES
ANNUAL GROSS INCOME $
FAMILY MEMBER NAME (Last, First, Middle Initial)
EMPLOYER, AGENCY, BANK, ETC. WHO ARE SOURCES OF INCOME TO YOU - LIST NAME AND ADDRESS OF SOURCES
ANNUAL GROSS INCOME $
FAMILY MEMBER NAME (Last, First, Middle Initial)
EMPLOYER, AGENCY, BANK, ETC. WHO ARE SOURCES OF INCOME TO YOU - LIST NAME AND ADDRESS OF SOURCES
ANNUAL GROSS INCOME $

ASSETS

BANK							ACCOUNT #
STOCKS/BONDS ☐	SAVINGS ☐	CHECKING ☐	TRUST ☐	IRA / 401K ☐	CD ☐	MONEY MARKET ☐	BALANCE $
BANK							ACCOUNT #
STOCKS/BONDS ☐	SAVINGS ☐	CHECKING ☐	TRUST ☐	IRA / 401K ☐	CD ☐	MONEY MARKET ☐	BALANCE $
BANK							ACCOUNT #
STOCKS/BONDS ☐	SAVINGS ☐	CHECKING ☐	TRUST ☐	IRA / 401K ☐	CD ☐	MONEY MARKET ☐	BALANCE $

LIFE INSURANCE POLICY NUMBER	FACE VALUE $
REAL PROPERTY: DO YOU OWN ANY PROPERTY? ☐ YES ☐ NO	IF YES, TYPE OF PROPERTY
LOCATION OF REAL PROPERTY	APPROX. MARKET VALUE $
HAVE YOU SOLD/DISPOSED OF ANY PROPERTY/ASSETS IN THE LAST 2 YEARS? ☐ YES ☐ NO	
IF YES, TYPE OF PROPERTY/ASSETS	DATE SOLD/DISPOSED OF
DO YOU HAVE ANY OTHER ASSETS NOT LISTED ABOVE (EXCLUDING) HOUSEHOLD GOODS? ☐ YES ☐ NO	
IF YES, WHAT?	

PERSONAL REFERENCES: (2 PERSONS NOT RELATED OR LIVING WITH YOU, WHOM YOU HAVE KNOWN AT LEAST 1 YEAR)

NAME	ADDRESS	PHONE
NAME	ADDRESS	PHONE

AUTOMOBILES

MAKE/MODEL	YEAR	LICENSE #
MAKE/MODEL	YEAR	LICENSE #

WHO SHOULD BE CONTACTED IN CASE OF EMERGENCY? NAME	
ADDRESS	PHONE #

HOW DID YOU FIND OUT ABOUT OUR BUILDING? ☐ NEWSPAPER ☐ DRIVE BY ☐ RENTAL MAGAZINE
☐ ACQUAINTANCE ☐ OTHER ______________________________

WHEN DO YOU DESIRE TO OCCUPY THE APARTMENT?

DO YOU INTEND TO HAVE AN ANIMAL AT THIS RESIDENCE? ☐ YES ☐ NO IF YES, WHAT KIND?

FOR USDA RURAL DEVELOPMENT HOUSEHOLDS THAT MEET THE DEFINITION OF ELDERLY/DISABLED:
DO YOU WISH TO CLAIM A $400 DEDUCTION FROM YOUR HOUSEHOLD INCOME BASED ON AN "ELDERLY HOUSEHOLD" STATUS, WHERE THE TENANT OR CO-TENANT IS 62 OR OLDER, HANDICAPPED, OR DISABLED? ☐ YES ☐ NO

DO YOU HAVE A LETTER OF PRIORITY ISSUED BY USDA-RURAL DEVELOPMENT DUE TO DISPLACEMENT FROM ANOTHER PROPERTY? ☐ YES ☐ NO

ARE YOU CURRENTLY A USER OF AN ILLEGAL CONTROLLED SUBSTANCE? ☐ YES ☐ NO
HAVE YOU EVER BEEN CONVICTED OF A DRUG VIOLATION (USE, ATTEMPTED USE, POSSESSION, MANUFACTURE, SALE OR DISTRIBUTION)? ☐ YES ☐ NO
HAVE YOU EVER BEEN EVICTED FROM A RESIDENCE? ☐ YES ☐ NO
HAVE YOU SUCCESSFULLY COMPLETED A CONTROLLED SUBSTANCE ABUSE RECOVERY PROGRAM OR PRESENTLY ENROLLED IN SUCH A PROGRAM? ☐ YES ☐ NO
HAVE YOU BEEN CONVICTED, PLED GUILTY OR PLED NO CONTEST TO ANY CRIME? ☐ YES ☐ NO IF YES, WHAT CRIME(S), WHEN, AND WHERE?
WILL THIS APARTMENT SERVE AS THIS HOUSEHOLD'S PRIMARY RESIDENCE? ☐ YES ☐ NO

The undersigned authorize Cambridge Real Estate Services or any screening service to contact my present and previous landlords, my credit references and employers (as listed above) and any credit reporting agency. It is understood and agreed that the sum paid at the time of application will be used as follows: A screening fee will be retained by the landlord as payment for the cost of application screening. Applicant screening entails the checking of your credit, income and other criteria for residency. As part of the application process, Landlord may obtain an Investigative Consumer Report which may include information of your character, general reputation, personal characteristics and mode of living. You have a right to request a written summary of your rights under the Federal Fair Credit Act as well as a complete and accurate disclosure of the nature and scope of the investigation requested. The request should be made to the Landlord or the credit reporting firm listed on the Criteria for Residency. You have the right to dispute the accuracy of any information provided to the landlord by the screening service or credit reporting agency. The name and address of the screening company can be obtained from either the Criteria for Residency form or the manager. Applicant's copy of this application shall be the receipt for the screening fee. If this application is approved, applicants will have 72 hours from the time of notification to return to execute a Rental Agreement and to pay the amount required as a security deposit, as determined by the application screening process. If applicants fail to execute a rental agreement and to pay the security deposit referenced above, they will be deemed to have refused the unit and the next application for the unit will be processed. Landlord shall have no liability to applicant until such time as a rental agreement is signed by both parties. I/We understand that giving incomplete or false information is grounds for rejection of this application. If any information supplied on this application is later found to be false, this will be grounds for termination of tenancy. Applicant acknowledges receipt of a copy of the Criteria for Residency. The information contained in this application is true and complete. By signing below, and through the process of applying for housing, I/we do hereby certify that the apartment applied for shall serve as our primary residence.

Applications and background screening will be valid for a 90 day period from the date of screening report. If the applicant(s) fails to execute a rental agreement within the states 90 day period, an updated application/background screening will need to be obtained with costs paid by the applicant.

By signing this application you consent to the release of wage matching data to RHS and the borrower.

Applicant's Signature ______________________________ Date ______________

Agent's Signature ______________________________ Date ______________

The Federal Government has asked managing agents to track this information. Answering these questions is on a voluntary basis.

SEX: ☐ MALE ☐ FEMALE

ETHNICITY: ☐ HISPANIC OR LATINO (OF ANY RACE) ☐ NOT HISPANIC OR LATINO

RACE: ☐ AMERICAN INDIAN/ALASKA NATIVE

☐ ASIAN

☐ BLACK OR AFRICAN AMERICAN

☐ NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER

☐ WHITE

The information regarding race, ethnicity and sex designations solicited on this application is requested in order to assure the Federal Government, acting through the Rural Housing Service, that the Federal laws prohibiting discrimination against tenant applications on the basis of race, color, national origin, religion, sex, familial status, age and disability are complied with. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you choose not to furnish it, the owner is required to note the race, ethnicity and sex of individual applicants on the basis of visual observation or surname.

If you are applying for residency under the HOME Program: This application and your occupancy of the premises are governed by the Regulations of the State of California, Department of Housing and Community Development, HOME Investment Partnerships Program (HOME Program), Title 25 of the California Code of Regulations, Section 9200, et. Seq. and the Federal Final Rule 24 CFR Part 92 (Rule).

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MOVE-IN REQUIREMENT SUMMARY

We are focused on providing you with the most efficient and highest quality service possible during the complex process of approving your application for housing.

This community shall be operated in accordance with certain local, state and federal guidelines which establish income eligibility guidelines. The information contained in this summary will help you prepare for certain compliance-related aspects of the application screening process.

In order to approve your application for housing, we will need the following documents. All documents received must be legible and verifiable.

1) If you are presently employed, we will require three months (or 6-8 for HUD properties) of **CONSECUTIVE** pay stubs indicating your wages earned, hours worked and certain deductions. Pay stubs must be current within the past 90 days. If you hold more than one job, pay stubs will be required for all jobs.
2) If currently unemployed and receiving unemployment benefits, please bring in current statement of benefits.
3) Bank contact information for all bank accounts must be provided. If applying for a unit with HOME funding, you are also required to provide six (6) months of consecutive bank statements for all checking accounts and the most current bank statement for all savings accounts. Please defer to the management staff to understand if the unit you are applying for has HOME funding.
4) If applicable, a divorce decree and/or documentation regarding child support or alimony received or to which you are entitled.
5) Federal Tax Return for most recent one year; second year may be requested. (If applicable)
6) For self-employed applicants, we will require your business profit and loss statement (IRS Form Schedule C) as well as your most recent Federal Tax Return.
7) Current documentation (within the last 90 days) of any 401k, IRA, stocks, or pension funds you hold.
8) If applicable, a copy of the benefit award letter documenting Social Security, Supplemental Social Security, Pension or Military Benefits paid to all members of your household.

Additional information may be required depending on your individual circumstances. We will notify each applicant on a case by case basis of additional documentation needed and/or forms required for signature. Such a notification will follow within one to three business days of your completed application reaching the on-site manager.

The items noted above will be requested from you only after your background screening has been approved. Please do not forward this information to the on-site manager with your application for housing. Instead, please gather and hold this information until you are notified by the on-site manager that your application for housing has received preliminary approval.

SUPPLEMENT TO APPLICATION

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Thank you for your interest in Lincoln Senior Apts.________________ Apartments.

Application Fee(s) $____________
(Application fees must be paid before screening initiated) (excludes HUD properties)

BELOW PLEASE FIND A LIST OF ALL APPLICABLE CHARGES AND DEPOSITS. AMOUNTS LISTED ARE SUBJECT TO CHANGE PRIOR TO SIGNING OF THE LEASE AGREEMENT.

Security Deposit Amount $____________
(Security deposit must be paid within 72 hours of approval)

Pet Deposit (if applicable) $____________

Other Deposit (if applicable) $____________

Other Deposit (if applicable) $____________

Monthly Stated Rent $____________ (may reflect range of rents offered)

Other Monthly Charge (if applicable) $____________

Other Monthly Charge (if applicable) $____________

Late Fee $____________ ($50, excluding RD units)

NSF Fee $35 plus applicable bank charges (excludes HUD properties)

Non-Compliance Fees $50 per non-compliance (excludes HUD properties)

- Late Payment of Utility
- Failure to Clean Pet Waste ($5.00 HUD properties)
- Failure to Clean Garbage/Rubbish
- Parking Violations or Improper Use of Vehicles

Smoke Alarm/Carbon Monoxide
Alarm Tampering Fee $250 (excludes HUD properties)

Lease Break Fee Equal to 1.5 x monthly stated rent (excludes HUD & RD properties)
(applicable only if tenant vacates prior to lease end date)

This institution is an equal opportunity provider.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; fax: (202) 690-7442; or email: program.intake@usda.gov.

TENANT INCOME CERTIFICATION QUESTIONNAIRE

One Form per Adult Member of the Household

NAME: ______________________ **TELEPHONE NUMBER:** ______________________

☐ **Initial Certification** **BIN #** ______________________

☐ **Re-certification**

☐ **Other** **Unit #** ______________________

INCOME INFORMATION

	YES	NO		MONTHLY GROSS INCOME
1.	☐	☐	I am self-employed. (List nature of self employment) ______________________	(use <u>net</u> income from self-employment only) $______
2.	☐	☐	I have a job and receive wages, salary, overtime pay, commissions, fees, tips, bonuses, and/or other compensation: List the businesses and/or companies that pay you: Name of Employer 1)______ 2)______ 3)______	 $______ $______ $______
3.	☐	☐	I receive cash contributions of gifts including rent or utility payments, on an ongoing basis from persons not living with me.	$______
4.	☐	☐	I receive unemployment benefits.	$______
5.	☐	☐	I receive Veteran's Administration, GI Bill, or National Guard/Military benefits/income.	$______
6.	☐	☐	I receive periodic social security payments.	$______
7.	☐	☐	The household receives <u>unearned</u> income from family members age 17 or under (example: Social Security, Trust Fund disbursements, etc.).	$______
8.	☐	☐	I receive Supplemental Security Income (SSI).	$______
9.	☐	☐	I receive disability or death benefits other than Social Security.	$______
10.	☐	☐	I receive Public Assistance Income (examples: TANF, AFDC)	$______
11.	☐	☐	I am entitled to receive child support payments.	
	☐	☐	I am currently receiving child support payments. If yes, from how many persons do you receive support? ______	$______ $______
	☐	☐	I am currently making efforts to collect child support owed to me. List efforts being made to collect child support: ______________________ ______________________	
12.	☐	☐	I receive alimony/spousal support payments	$______
13.	☐	☐	I receive periodic payments from trusts, annuities, inheritance, retirement funds or pensions, insurance policies, or lottery winnings. If yes, list sources: 1)______	 $______ $______
14.	☐	☐	I receive income from real or personal property.	(use <u>net</u> earned income) $______
15.	☐	☐	Student financial aid (public or private, not including student loans) Subtract cost of tuition from Aid received **For Households receiving Section 8 Assistance Only*	 $______

ASSET INFORMATION

	YES	NO		INTEREST RATE	CASH VALUE
16.	☐	☐	I have a checking account(s). If yes, list bank(s) 1)______ 2)______	 ______% ______%	 $______ $______

17. ☐	☐	I have a savings account(s) If yes, list bank(s) 1)____________ 2)____________	 ____% ____%	 $________ $________
18. ☐	☐	I have an EBT, Debit Visa, MasterCard account(s). (Including Social Security wages, Unemployment, Public Assistance, Disability, Etc...) If yes, list sources(s) of income being received/type of account(s) 1)____________ 2)____________ 3)____________		 $________ $________ $________
19. ☐	☐	I have a revocable trust(s) If yes, list bank(s) 1)____________	 ____%	 $________
20. ☐	☐	I own real estate. If yes, provide description: ____________		 $________
21. ☐	☐	I own stocks, bonds, or Treasury Bills If yes, list sources/bank names 1)____________ 2)____________ 3)____________	 ____% ____% ____%	 $________ $________ $________
22. ☐	☐	I have Certificates of Deposit (CD) or Money Market Account(s). If yes, list sources/bank names 1)____________ 2)____________ 3)____________	 ____% ____% ____%	 $________ $________ $________
23. ☐	☐	I have an IRA/Lump Sum Pension/Keogh Account/401K. If yes, list bank(s) 1)____________ 2)____________	 ____% ____%	 $________ $________
24. ☐	☐	I have a whole life insurance policy. If yes, how many policies ________		 $________
25. ☐	☐	I have cash on hand.		$________
26. ☐	☐	I have disposed of assets (i.e. gave away money/assets) for less than the fair market value in the past 2 years. If yes, list items and date disposed: 1)____________ 2)____________		 $________ $________

STUDENT STATUS

YES	NO	
☐	☐	Does the household consist of all persons who are full-time students (Examples: K-12, College, Trade School, etc.)?
☐	☐	Does the household consist of all persons who have been a full-time student 5 months in the current calendar year?
☐	☐	Does your household anticipate becoming an all full-time student household in the next 12 months?
		If you answered yes to any of the previous three questions are you:
☐	☐	• Receiving assistance under Title IV of the Social Security Act (AFDC/TANF/Cal Works - not SSA/SSI)
☐	☐	• Enrolled in a job training program receiving assistance through the Job Training Participation Act (JTPA) or other similar program
☐	☐	• Married and filing (or are entitled to file) a joint tax return
☐	☐	• Single parent with a dependant child or children and neither you nor your child(ren) are dependent of another individual
☐	☐	• Previously enrolled in the Foster Care program (currently age 18-24)

UNDER PENALTIES OF PERJURY, I CERTIFY THAT THE INFORMATION PRESENTED ON THIS FORM IS TRUE AND ACCURATE TO THE BEST OF MY/OUR KNOWLEDGE. THE UNDERSIGNED FURTHER UNDERSTANDS THAT PROVIDING FALSE REPRESENTATIONS HEREIN CONSTITUES AN ACT OF FRAUD. FALSE, MISLEADING OR INCOMPLETE INFORMATION WILL RESULT IN THE DENIAL OF APPLICATION OR TERMINATION OF THE LEASE AGREEMENT.

____________________ ____________________ ____________

PRINTED NAME OF APPLICANT/TENANT SIGNATURE OF APPLICANT/TENANT DATE

____________________ ____________

WITNESSED BY (SIGNATURE OF OWNER/REPRESENTATIVE) DATE

CHILD SUPPORT AFFIDAVIT

Use Form C386 XX "Child Support Verification" for Validation

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Applicant/Resident Name ______________________________

Development Name Lincoln Senior Apts. Unit Number/Identification ______________

Complete a separate Child Support Affidavit for each child support source.

Child support and/or spousal support payments that are received shall be included as income whether or not there is yet a court order awarding payment.

Child support amounts awarded by the courts but not received can be excluded only when the applicant/resident certifies that payments are not being made and further documents that all reasonable legal actions to collect amounts due, including filing with the appropriate courts or agencies responsible for enforcing payment, have been taken.

As part of the qualification process required by federal and/or state housing programs with jurisdiction over this development the following information is needed:

A. Do you receive child support and/or spousal support? ☐ **Yes. Go to B.** ☐ **No. Go to C.1.**

B. I receive:

1. Payment amount $__________
2. Frequency __________
3. Name(s) of Recipient(s) ______________________________
4. Name of source ______________________________
   Complete multiple affidavit forms if there are multiple sources.
5. Go to C.1

C. 1. Have you been awarded child or spousal support by court order?
☐ **Yes. Complete C and/or D if applicable.** ☐ **No. Complete D and/or E if applicable.**

2. Provide copy of entire document, enter amount of award $__________,
and frequency __________; go to C.3.

3. Is payment being received as awarded? ☐ **Yes. Go to 3.a.** ☐ **No. Go to 3.b.**

a. Indicate the manner by which payment is received and sign form.

i. ☐ **Enforcement agency** *Name agency* __________ *and provide agency print out*

ii. ☐ **Court of Law** *Name court* __________

iii. ☐ **Direct from responsible party** *Name source* __________

(Provide affidavit or statement from the source. Also use form C386 XX Child Support Verification.)

iv. ☐ **Other** *(Explain)* __________

b. If payment not received or if amount received is less than amount awarded provide details and documentation of collection efforts.

____

D. ☐ **All of my children are over the age of 18.**

E. ☐ **I have no children.**

Under penalty of perjury, I certify that the information presented in this affidavit is true and accurate to the best of my knowledge. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of a lease agreement.

Applicant/Resident Signature ______________________________ Date __________

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SWORN SELF-CERTIFICATION OF CHILD SUPPORT AND/OR ALIMONY

Applicant/Tenant Name: ______________________ Unit #: ________

Project Name: Lincoln Senior Apts.

LIST THE NAMES OF ALL CHILDREN LIVING IN THE UNIT:

Child 1: ____________ Child 2: ____________ Child 3: ____________

Child 4: ____________ Child 5: ____________ Child 6: ____________

CHILD SUPPORT (ALL CHILDREN MUST BE ACCOUNTED FOR) – CHECK ALL THAT APPLY:

☐ **BOTH parents** of the following children reside in the unit (check all that apply): ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6

☐ **I DO NOT** receive any form of child support payments for the following child(ren): ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6

☐ **I DO NOT** anticipate seeking or receiving child support payments within the next 12 months due to the following:

- ☐ Domestic violence issues with absent parent
- ☐ Absent parent is incarcerated
- ☐ Location of absent parent is not known
- ☐ Absent parent is deceased
- ☐ Other (explain): ____________

☐ Child support has not been court-ordered, or ☐ Child support has been court-ordered but is not being received.

☐ I receive/will be receiving **court-ordered*** child support each ☐ **week** or ☐ **month**, in the amount(s) of:

$________ (Child 1) $________ (Child 2) $________ (Child 3)

$________ (Child 4) $________ (Child 5) $________ (Child 6)

*** The following items can be used to verify the amounts listed within this section: separation agreement, divorce decree, court clerk verification statement, a printout or verification from the child support enforcement agency, or a copy of the most recent support check with documentation regarding the frequency of payments.**

☐ I receive/will be receiving **non-court-ordered**** child support each ☐ **week** or ☐ **month**, in the amount(s) of:

$________ (Child 1) $________ (Child 2) $________ (Child 3)

$________ (Child 4) $________ (Child 5) $________ (Child 6)

****A notarized statement must be obtained by each Payer certifying to the amount of benefits being provided.**

ALIMONY – CHECK ALL THAT APPLY:

☐ I receive/will be receiving **court-ordered** alimony in the amount of $________ each ☐ **week** ☐ **month**.

☐ I receive/will be receiving **non-court-ordered** alimony in the amount of $________ each ☐ **week** ☐ **month**.

☐ **I DO NOT** receive any form of alimony payments (there is no court-order).

Under penalty of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge. The undersigned further understand(s) that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of a lease agreement.

______________________ ______________________ ______________
Signature of Applicant/Tenant Printed Name of Applicant/Tenant Date

NOTE: Section 1001 of Title 18 of the U. S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

TAX CREDIT STUDENT CERTIFICATION

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Property Name Lincoln Senior Apts. Property No. CA487

Resident/Applicant: All residents/applicants 18 years or older (or any minors acting as head, spouse or co-head), must complete this form at time of all certifications. Please complete ONE of the following statements that apply to your situation.

Name____________________ Apartment No.__________

This apartment community must follow the rules and regulations of the Tax Credit Program or Section 42 of the IRS Code. A household comprised entirely of full time students (adults and minors) is not eligible to reside in this apartment community unless the household meets one of the four exceptions listed below. Full-time students are defined as individuals who attend school a minimum of 5 months per calendar year, and are designated to be full-time by the school in which they attend. Minors that are in kindergarten through grade twelve are automatically considered full time students.

1. At least one adult in the unit is married, not necessarily to another adult living in the unit, and filed a joint federal tax return the previous year. (To verify this exception, a copy of the marriage certificate and a copy of the previous year's tax return must be provided by the applicant and kept in the resident file).
2. Single parents and their children and such parent and children are not dependents (as defined in section 152) of another individual. (To verify this exception, a copy of the most recent tax return must be provided by the resident or applicant).
3. A household member is a recipient of Aid to Families with Dependent Children (AFDC) or Temporary Assistance for Needy Families (TANF). (Verification must be obtained from AFDC or TANF to qualify for this exception).
4. A household member is a participant in a federal, state or local job-training program comparable to those funded by the Job Training Partnership Act (JTPA). (Verification must be obtained to qualify for this exception).
5. A household member who was previously under the care and placement responsibility of the State agency responsible for administering a plan under part B or part E of title IV of the Social Security Act.

Please mark one of the choices below which best describes your current or future status as a student in the next 12 months.

1. ☐ I, ____________________, certify that I am currently not a student (part-time or full-time), nor do I intend to become a student any time within the next 12 months.
2. ☐ I, ____________________, certify that I am currently not a student (part-time or full-time); however, I plan to enroll as a part-time student in the next 12 months.
3. ☐ I, ____________________, certify that I am currently a part-time student and I plan to remain a part-time student for the next 12 months.
4. ☐ I, ____________________, certify that I am currently not a student (part-time or full-time); however, I plan to enroll as a full-time student in the next 12 months.
5. ☐ I, ____________________, certify that I am currently a full-time student.

Please list the names of any minors in the household that are currently students or will become students in the next 12 months.

(If this section does not apply, fill in N/A)

____

I understand that my household is required to supply verification that we meet one of the four exceptions listed above if I indicate that I am currently a full-time student, plan on enrolling as a full-time student or if my household indicates that all members are full time students. If I cannot supply verification that my household meets one of the exceptions, I understand my household is not eligible to move in or is no longer eligible to live in this apartment community and will be required to vacate in 30-days.

I HAVE READ AND UNDERSTAND THIS DOCUMENT AND CERTIFY THAT I HAVE COMPLETED IT TRUE AND CORRECT. I ALSO UNDERSTAND THAT SHOULD MY STUDENT STATUS CHANGE DURING THE NEXT 12 MONTHS, I MUST NOTIFY THE ON-SITE MANAGER IMMEDIATELY.

Resident/Applicant Signature____________________ Date__________

Manager Signature____________________ Date__________

CAMBRIDGE
real estate services

UNDER $5,000 ASSET CERTIFICATION

For households whose combined net assets do not exceed $4999.99.
Complete one form for households with joint assets or one form per person with separate assets. If a household contains both joint and separate assets, use separate forms and list the joint asset on both forms with the statement **(Joint)** next to the applicable asset.

Household Name:____ Unit No. ____________________

Development Name: Lincoln Senior Apts. __________________________ City:____________________

Complete the following:

1. **Choose one:**

☐ I/we do not have any assets at this time. *(if this box is checked, draw a line through the asset information below, place a zero in #3, sign and date)*

OR

☐ My/our assets include:
(Please complete fully. Put a zero in any columns that do notapply)

(A) Cash Value*	(B) Int. Rate	(A*B) Annual Income	Source	(A) Cash Value*	(B) Int. Rate	(A*B) Annual Income	Source
$		$	Savings Account	$		$	Checking Account
$		$	Cash on Hand	$		$	Safety Deposit Box
$		$	EBT/Debit Visa or MC	$		$	Certificates of Deposit
$		$	Stocks	$		$	Money market funds
$		$	IRA Accounts	$		$	Bonds
$		$	Keogh Accounts	$		$	401K Accounts
$		$	Equity in real estate	$		$	Trust Funds
$		$	Lump Sum Receipts	$		$	Capital investments
$		$	Life Insurance Policies (excluding Term)				
$		$	Other Retirement/Pension Funds not named above:				
$		$	Personal property held as an investment** :				
$		$	Other (list):				

PLEASE NOTE: Certain funds (e.g., Retirement, Pension, Trust) may or may not be (fully) accessible to you. Include only those amounts which are.

**Cash value is defined as market value minus the cost of converting the asset to cash, such as broker's fees, settlement costs, outstanding loans, early withdrawal penalties, etc.*

***Personal property held as an investment may include, but is not limited to, gem or coin collections, art, antique cars, etc. Do not include necessary personal property such as, but not necessarily limited to, household furniture, daily-use autos, clothing, assets of an active business, or special equipment for use by the disabled.*

2. **Choose one:**

☐ I/we have not sold or given away assets (including cash, real estate, etc.) for less than fair market value during the past two (2) years.

OR

☐ Within the past two (2) years, I/we have sold or given away assets (including cash, real estate, etc.) for more than $1,000 below their fair market value (FMV). Those amounts* are included above and are equal to a total of: $________________(*the difference between FMV and the amount received, for each asset on which this occurred).

3. Please complete:
The net family assets (*as defined in 24 CFR 813.102*) above do not exceed $5,000 and the total annual income *(add all annual income columns)* from the net family assets is $________________. This amount is included in total gross annual income.

Under penalty of perjury, I/we certify that the information presented in this certification is true and accurate to the best of my/our knowledge. The undersigned further understand(s) that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of a lease agreement.

Applicant/Tenant	Date	Applicant/Tenant	Date

NOTE: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

RURAL DEVELOPMENT/HUD ACCEPTANCE/DECLINE NOTIFICATION

CAMBRIDGE
real estate services

Mailed via certified mail/return receipt requested; receipt number ______________.
This letter will need to be sent using Certified/Registered mail only when the applicant has been denied by the management company. This notice will be sent using regular US Mail in all other cases.

PROPERTY NAME	PROPERTY #	APT #
Lincoln Senior Apts.	CA487	

DATE	LANDLORD
	CAMBRIDGE REAL ESTATE SERVICES

APPLICANT(S)

______________________ ______________________
______________________ ______________________
______________________ ______________________

Dear Applicant:

Thank you for your recent application to rent an apartment at our building.

Your application has been reviewed. The findings are as follows:

[ ] Your application has been selected for immediate follow-up screening in accordance with Cambridge Real Estate Services Resident Screening and Selection Process. Please contact the management office at the telephone number listed above **within 10 days of receipt of this letter** to begin the eligibility verification process.

[ ] Your name will be placed on our waiting list. Because we have no apartments available at the present time, verifying your income, age or physical handicap/disability and determining whether or not you comply with our rental criteria will not be completed until a unit is available. It is assumed that all information represented on your application is accurate. Should the information not be, this may have an adverse effect on your ability to qualify for an apartment. Notification will be made when an apartment is available. Please notify us promptly if you move, change phone number(s) or decide not to remain on our list. You must contact the resident manager at least every 90 days of your continued interest. Failure to do so could result in removal of your name from waiting list. If you decline an available apartment, your name will be removed from the waiting list. You would be welcome to re-apply and your name will be added to the bottom of the list.

[ ] Your application has been placed on our waiting list. However, it is incomplete. In order for your application to be considered complete you must submit the following items within 10 calendar days from the date of this letter. Priority will not be established until the additional items are received. If you fail to respond we will assume you are no longer interested and will withdraw your application. Items needed for application to be completed:

- ☐ Personal information
- ☐ Rental reference information
- ☐ Income/asset information
- ☐ Household information
- ☐ Emergency contact information
- ☐ Signature
- ☐ Other: ______________________________

[ ] Your application has been withdrawn for the following reason(s):

- ☐ You did not respond to our letter dated ______________.
- ☐ As per your phone call/office visit/correspondence you requested your application be withdrawn.

☐ Applicant ☐ Manager

[ ] Your recent application was reviewed and has been **denied** for the following reason(s):

- ☐ History of unjustified and chronic nonpayment or late payment of rent.
- ☐ History of violence and harassment of neighbors.
- ☐ History of disturbing the quiet enjoyment of neighbors.
- ☐ Determined ineligible because of income exceeding income limits.
- ☐ Determined ineligible due to household size not meeting occupancy requirements.
- ☐ Information/reference given disallow eligibility for tenancy.
- ☐ Insufficient information/references given to allow verification of eligibility.
- ☐ Adverse credit history information received from the following reporting agency: Equifax Credit Information, PO Box 740241, Atlanta, CA 30374-0241. 1-800-685-1111.

  If you disagree with this information, please contact the Resident manager within 15 calendar days from the date of this letter and request a copy of your credit report from the above agency. For the protection of your privacy, you must come to the office in person if you wish to discuss the details of the adverse information.
- ☐ Other: ____

  ____

Under HUD regulations, you have the right to respond to the rejection of your application in writing or request a meeting within 14 days. To properly appeal, please send a letter to: Cambridge Real Estate Services PO Box 2968, Portland OR 97208 or contact us by phone at 503-450-0230. Within 5 days of receipt of your appeal, your application will be reviewed and your will be notified in writing of the outcome of the review. Persons with disabilities have the right to request reasonable accommodations to participate in the informal hearing process. Be sure to note the name of the building where you applied. Please be aware that an apartment cannot be held during the appeal process. You have the right to respond to the rejection of your application, under Rural Development Tenant Grievance and Appeals Procedure, within 14 calendar days after receipt of this notice of proposed action. You have the right to a hearing in accordance with 3560.160 (f) which is available upon request. Detailed appeal and grievance procedures are available at the project rental office. To appeal this decision, send a letter to Cambridge Real Estate Services, PO Box 2968, Portland, Oregon 97208, detailing your objections. Be sure to note the name of the building where you applied, and include a copy of this notice with your response.

In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, age, disability, religion, sex, and familial status. (Not all prohibited bases apply to all programs).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD).

This institution is an equal opportunity provider, and employer.

Any tenant/member or prospective tenant/member seeking occupancy in or use of Agency facilities who believes he or she is being discriminated against because of age, race, color, religion, sex, familial status, disability, or national origin may file a complaint in person with, or by mail to the U.S. Department of Agriculture's Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW., Washington DC 20250-9410 or to the Office of Fair Housing and Equal Opportunity, U.S. Department of Housing and Urban Development (HUD), Washington, DC 20410.

Thank you,

Cambridge Real Estate Services

Background services provided by: Background Investigations
1800 Blankenship Road, Suite 250, West Linn, OR 97068

☐ Applicant ☐ Manager