

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

(This space is for Recorder's Use)

CITY OF SANTA CLARA
Office of the City Clerk
1500 Warburton Avenue
Santa Clara, California 95050

This Agreement is recorded at the request and for the benefit of the **City of Santa Clara** and is exempt from the payment of a recording fee pursuant to **Government Code Sections 27383 and 6103**.

AFFORDABLE HOUSING AND DENSITY BONUS AGREEMENT

This Density Bonus Agreement (this "**Agreement**") is entered into as of this May , 2023, by and between the CITY OF SANTA CLARA, a chartered California municipal corporation (the "**City**"), and Santa Clara Pacific Associates, a California limited partnership (the "**Developer**"). The City and Developer are individually referred to herein as a "**Party**" and collectively referred to as the "**Parties**".

RECITALS

This Agreement is made and entered into with regard to the following facts, each of which is acknowledged as true and correct by the Parties to this Agreement:

A. Developer owns certain real property located at 80 Saratoga Avenue in the City of Santa Clara, California (the "**Property**"), legally described in Exhibit A attached hereto and incorporated herein by reference, and owns the improvements now or hereafter located thereon.

B. Chapter 17.40 of the Santa Clara City Code ("**Affordable Housing Requirements**") requires that a share of all newly constructed dwelling units in residential developments of ten (10) or more units must provide at least fifteen percent (15%) of the units at affordable housing costs made available at affordable rental prices to extremely low, very low, low and moderate income households as long as the distribution of affordable units averages to a maximum of one hundred percent (100%) area median income. Residential rental projects of fewer than ten units may either provide an affordable unit or pay an in-lieu fee identified for residential rental projects in the affordable housing master fee schedule.

C. Chapter 18.78 of the Santa Clara City Code (the "**Density Bonus Ordinance**"), provides that the City shall, in accordance with California Government Code Section 65915 *et seq*, as amended (the "**State Density Bonus Code**"), grant a density bonus and regulatory concessions and/or incentives when a developer seeks and agrees to provide a minimum number of housing units with affordable rents to very low or lower income households.

D. Developer intends to construct upon the Property a mixed-use development comprising 200-units of housing (including 2 manager's unit) and approximately 8,625 square feet of ground floor commercial space (the "**Project**") pursuant to the Entitlement (as defined below) and is therefore subject to the Affordable Housing Requirements and Density Bonus

Ordinance.

E. Developer has agreed that one hundred percent of all units in the Project, including total units and density bonus units, but exclusive of a manager's unit or units, are for Lower Income Households, as defined in Section 50053 of the Health and Safety Code, in accordance with Section 65915(b)(1)(G) of the Government Code; and the Project is located within one-half mile of a major transit stop in accordance with Section 65915(f)(3)(D)(ii) of the Government Code. Therefore, the City shall not impose any maximum controls on density with respect to the Project pursuant to Section 65915(f)(3)(D)(ii) of the Government Code.

F. Developer has agreed that at the Project will include at least twenty percent (20%) low-income units meeting the criteria of Section 65915(b)(1)(B), in accordance with Section 65915(p)(2)(A) of the Government Code; and the Project is located within one-half mile of a major transit stop and there is unobstructed access to the major transit stop from the Project in accordance with Section 65915(p)(2)(A) of the Government Code. Therefore, the City shall not impose a vehicular parking ratio that exceeds 0.5 spaces per dwelling unit in accordance with Section 65915(p)(2)(A) of the Government Code.

G. The Developer's provision of one hundred ninety eight (198) units at the 80% AMI or less Income level pursuant to the standards of the Density Bonus Ordinance, also satisfies the Affordable Housing Requirements.

H. City and Developer desire to enter into this Agreement pursuant to the applicable provisions of the Affordable Housing Ordinance, Density Bonus Ordinance and the State Density Bonus Code.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and provisions contained herein, the parties hereto agree as follows:

1. Definitions. For purposes of this Agreement, the terms listed below shall have the meanings thereafter specified:

(a) **"Adjusted for Household Size Appropriate for the Unit"** means "adjusted for family size appropriate to the unit" as such term is used in Section 50053 of the Health and Safety Code (including as defined in Section 50052.5(h) of the Health and Safety Code through Section 50053(d) of the Health and Safety Code).

(b) **"Affordable Rent"** means the applicable affordable rent for Income Eligible Households as provided in Sections 50052.5 and 50053 of the Health and Safety Code as may be amended from time to time; provided, however, that the Affordable Rent for TCAC Units shall be the applicable TCAC Rent.

(c) **"Affordable Unit"** means the one hundred ninety eight (198) dwelling units that will be offered for rent exclusively to an Income Eligible Household at an Affordable Rent pursuant to this Agreement.

- (d) **“Annual Report”** shall have the meaning defined in Section 12.
- (e) **“Certificate of Occupancy”** means one or more temporary or permanent certificate(s) of occupancy that permit the occupancy of all Affordable Units in the Project.
- (f) **“City Representative”** means the City Manager of the City or his or her designated representative.
- (g) **“Developer”** means the person or entity defined as such in the introductory paragraph of this Agreement, and includes all successors and assigns of that person or entity.
- (h) **“Entitlement”** means, collectively, (1) the City of Santa Clara Action on Sustainable Communities Project Exemption and Architectural Approval for a 200-Unit Affordable Mixed-Use Project Located at 80 Saratoga Avenue, File Number PLN21-15214, approved on September 14, 2022; (2) all permits issued pursuant any of the foregoing.
- (i) **“HCD”** means the California Department of Housing and Community Development.
- (j) **“Income Eligible Household”** shall mean a Lower Income Household which is eligible to rent a particular Affordable Unit.
- (k) **“Lower Income Households”** means lower income households, as defined by Section 50079.5 of the Health and Safety Code.
- (l) **“Lower Income Units”** mean Affordable Units restricted to occupancy by Lower Income Households at the applicable Affordable Rent.
- (m) **“Moderate Income Households”** means moderate income households, as defined by Section 50093 of the Health and Safety Code.
- (n) **“Monitoring Fee”** means the Multi-Family Monitoring Fee that is published in the City’s Municipal Fee Schedule and updated from time to time, to be paid annually by Developer to the City in accordance herewith (and which amount as of the date hereof is a fee of One Hundred Nineteen Dollars (\$122) per Non-TCAC).
- (o) **“Non-TCAC Unit”** means thirty-nine (39) of the Affordable Units designated as using Affordable Rents in the Unit Allocation.
- (p) **“Original Unit”** shall have the meaning defined in Section 7(b).
- (q) **“Project”** has the meaning defined in Recital C.
- (r) **“Property”** shall have the meaning defined in Recital A.
- (s) **“TCAC”** means the California Tax Credit Allocation Committee.
- (t) **“TCAC Rent”** means an amount consistent with the maximum rent levels

for a housing development that receives an allocation of state or federal low-income housing tax credits from TCAC and applicable to the particular Income Eligible Household, including any applicable Utility Allowance.

(u) “**TCAC Units**” means one hundred and fifty nine (159) of the Affordable Units designated as using TCAC Rents in the Unit Allocation.

(v) “**Unit Allocation**” means the unit allocation in Exhibit B attached hereto and incorporated herein by reference.

(w) “**Utility Allowance**” means an amount designated by the Santa Clara County Housing Authority as a reasonable estimate of the cost of utilities for an Income Eligible Household, for purposes of calculating the applicable Affordable Rent; provided, however, that the Utility Allowance for TCAC Units shall be based on the applicable TCAC Rent.

2. Project Approvals.

(b) The Project shall be developed and operated in accordance with the Entitlement, all applicable City zoning standards, as modified by the density bonus granted to the Project under the Density Bonus Ordinance and the State Density Bonus Code. The Project shall be constructed in compliance with all applicable building codes and standards, as such may be modified from time to time. The Recitals are hereby incorporated into this Agreement.

(c) Within twenty (20) business days of the recording of this Agreement, Developer shall provide evidence reasonably acceptable to the City that the recording and priority of this Agreement is in compliance with the Density Bonus Ordinance and State Density Bonus Code (the “**Recording Requirements**”). If the recording and priority of this Agreement is not in compliance with the Recording Requirements, then the City shall have the right to suspend building permits for the Project or withhold Certificates of Occupancy for the Project until Developer causes this Agreement to comply with the Recording Requirements to the City’s reasonable satisfaction.

3. Affordable Units.

(b) Developer hereby agrees that one hundred ninety eight (198) rental housing units in the Project shall be rented exclusively to Income Eligible Households at an Affordable Rent, and two (2) housing unit shall be a non-revenue manager’s unit.

(c) The Affordable Units shall set aside and leased in accordance with the Unit Allocation, and shall be no less attractive or desirable on average (whether because of convenient access, views, amenities, or other reasons) than the other units in the Project that are not the Affordable Units. The allocation of the Affordable Units shall not be changed without the prior written approval of the City Representative.

4. Income Limits and Affordable Rents. The applicable income limits and Affordable Rents for Affordable Units, including Utility Allowances, shall be those established under California Health & Safety Code Section 50053, as may be amended from time to time (which income limits in effect as of the date of this Agreement are attached hereto as Exhibit B

and incorporated herein by this reference), except that the TCAC Units shall be subject to TCAC Rents. It shall be the obligation of Developer to annually obtain from City or any other applicable source the applicable income limits and Affordable Rents, as they may be adjusted from time to time.

5. Publication and Notification of Availability of Affordable Units. Upon the request of the City Representative, whenever one or more Affordable Unit(s) becomes available, Developer shall publish notices of the availability of Affordable Units using commercially reasonable efforts, including but not limited to, in newspapers circulated widely in the City of Santa Clara, including newspapers that reach minority communities. The advertisements should briefly explain that the Project includes affordable housing, state the applicable income requirements, indicate where applications are available and provide a telephone number for questions. The City Representative will notify Developer of any changes to the publication requirement should the City's marketing and outreach program for Affordable Units be revised.

6. Tenant Qualification for Rental Units.

(b) Developer agrees to rent the Affordable Units solely to Income Eligible Households, at not more than the applicable Affordable Rent.

(c) Developer must take reasonable steps to certify the income level of prospective occupants of an Affordable Unit, at the time of the initial rental, and annually thereafter. Developer may request an income certification from the proposed occupant of the Affordable Unit in one or more of the following methods:

(i) Obtain two (2) most recent paycheck stubs from all proposed occupants;

(ii) Obtain a true copy of income tax returns from all proposed occupants for the most recent tax year in which a return was filed;

(iii) Obtain an income verification certification from the employer of all proposed occupants;

(iv) Obtain an income verification certification from the Social Security Administration and/or the California Department of Social Services if any proposed occupants receive assistance from such agencies; or

(v) Obtain an alternate form of income verification acceptable to the City Representative.

(c) Developer shall apply the same rental terms and conditions to tenants of Affordable Units as are applied to all other tenants, except as otherwise required to comply with this Agreement (i.e., rent levels, occupancy restrictions and income requirements) and/or government subsidy programs. Discrimination based on subsidies received by the prospective tenant is prohibited.

(d) Commencing upon the issuance of the Certificate of Occupancy,

Developer shall pay City on an annual basis, due on the same date as the Annual Report, the Monitoring Fee.

7. Changes in Tenant Income.

(a) If the income of a tenant occupying an Affordable Unit decreases below the category for which the tenant originally qualified, the tenant shall continue to have the right to reside in the Affordable Unit, provided the tenant pays the rent and performs his other obligations to Developer.

(b) If the income of a tenant occupying an Affordable Unit increases above the category for which the tenant originally qualified but remains below 140% of the AMI that originally qualified the tenant [or 60% AMI if an income averaging project], the tenant may remain in the unit (the “**Original Unit**”) at the tenant’s new applicable Affordable Rent, as long as the next vacant unit is re-designated for the income category previously applicable to the Original Unit.

(c) Units may be re-designated per Section 7(b) of this Agreement by entering into and recording an amendment to this Agreement, revising Exhibit B hereto.

(d) So long as the Developer complies with the procedures set forth in this Section 7, Developer shall not be in violation of this Agreement due to a tenant’s income eventually exceeding the income limit for the Affordable Unit occupied by that tenant.

8. Waiting List for Affordable Housing Units.

(a) The City or its designee will maintain a waiting list of qualified persons which shall be provided to Developer upon notification of vacancy or pending vacancy.

(b) If City no longer maintains a waiting list, Developer shall be responsible for maintaining a written Waiting List of households that have contacted Developer and expressed an interest in an Affordable Housing Unit. That list shall include appropriate contact information for notifying the interested households when a vacancy in an Affordable Housing Unit occurs. Names on the Waiting List will be listed in order of the date of receipt of notice of interest and contact information from the prospective applicant. This Waiting List will be kept in Developer’s offices and shall be available for City review with reasonable notice.

(c) Subject to Developer’s use and application of its customary leasing criteria that is applied to all tenants at the Project (including, without limitation, credit checks, references, etc.), Developer shall select new tenants for the Affordable Housing Units in chronological order (oldest listing first). Developer shall provide evidence of attempts to contact households on the Waiting List, when requested by the City.

(d) Developer's selection of tenants in the Project shall give preference to Income-Qualified Households in accordance with the Santa Clara Local Preference Criteria, as may be amended from time to time, attached hereto as Exhibit D.

9. Utilization of Affordable Rental Units. All Affordable Units required by this

Agreement shall be leased or rented and fully utilized in accordance with this Agreement; no Affordable Unit shall be withdrawn from the market or otherwise held vacant. The Developer shall provide the City with written notice if any Affordable Unit is not occupied by an Income Eligible Household for more than 60 consecutive days; for each Affordable Unit, such 60-day period shall recommence after the first 60 days.

10. No Sublease. A tenant occupying an Affordable Unit may not sublet the unit without the written permission of both Developer and City, which may be withheld in its sole and absolute discretion. The City shall not grant permission to lease, rent, or sublet the unit if it finds that the prospective tenant or occupant is not an Income Eligible Household. Any individual who subleases an Affordable Unit in violation of the provisions of this Agreement shall be required to forfeit to City all monetary amounts so obtained.

11. Lease Agreement. The form of lease agreement between Developer or its agent and the tenant of any Affordable Unit shall be submitted to the City for its approval and shall include provisions providing for the implementation of Section 7 of this Agreement. If the City has not approved or responded within 10 business days, the Developer shall submit a written reminder, and if the City does not approve or respond to such reminder within an additional 10 business days, then the form of lease agreement shall be deemed approved. Notwithstanding anything to the contrary herein, any approval or deemed approval of the lease agreement by the City shall not relieve the Developer of any of its obligations hereunder. A fully executed copy of each lease agreement for an Affordable Unit shall be delivered to the City within ten (10) days after the date of its execution.

12. Maintenance of Units. Developer shall (a) maintain and operate all units on the Property so as to provide decent, safe and sanitary housing consistent with federal housing quality standards; (b) make any required repairs or provide any required cleanup and (c) provide the Affordable Units with the same levels of services and maintenance as are provided to the other dwelling units on the Property.

13. Affordable Unit Compliance Inspection and Certification. The City may inspect the Affordable Units (subject to the rights of tenant) and any documents or records relating thereto, at any reasonable time upon at least 48 hours prior written notice to determine Developer's compliance with this Agreement. Moreover, the Developer agrees to submit an annual report (the "**Annual Report**") certifying that all Affordable Units are being leased or rented in compliance with this Agreement no later than the September 30 of each year with respect to the preceding January 1 through December 31 period during the term of this Agreement. For TCAC Units, Developer shall submit a copy of the Tax Credit Allocation Committee(TCAC) Report annually at the same time the report is submitted to TCAC. Failure to provide the report to the City may result in the City charging a fee for compliance monitoring of TCAC units

14. Federal and State Laws. Notwithstanding the above provisions, nothing contained herein shall require Developer or City to do anything contrary to or refrain from doing anything required by Federal and State laws and regulations promulgated there under applicable to the construction, management, maintenance, and rental of Lower Income Households in the City of Santa Clara.

15. Prohibition Against Discrimination. Developer shall not discriminate against any tenant or potential tenant on the basis of sex, color, race, religion, ancestry, national origin, age, pregnancy, marital status, family composition, sexual orientation, or the potential or actual occupancy of minor children. Developer further agrees to take affirmative action to ensure that no such person is discriminated against for any of the above mentioned reasons.

16. Indemnification. Developer shall defend, indemnify and hold harmless the City of Santa Clara and its officers, agents, employees, representatives and volunteers from and against any loss, liability, claim, judgment or expenses relating to or arising from this Agreement, including those claims that arise out of either (a) a breach of this Agreement by Developer, (b) related in any manner to the Developers administration of this Agreement, or (c) arising out of the City's interest in this Agreement or Affordable Units. This indemnification shall not apply to Claims arising out of conduct of the City, its officers, agents, employees, representatives or volunteers independent of this Agreement or any conduct of the City, its officers, agents, employees, representatives, or volunteers that is willful or grossly negligent.

17. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of City and Developer, and their respective successors, owners and assigns. City reserves the right to designate another public agency or the Housing & Community Services Division of the City of Santa Clara to perform City's obligations or to exercise City's rights and options under this Agreement. Developer reserves the right, upon notice to the City, to freely transfer ownership of the Property to a limited partnership entity controlled by Developer (the "Partnership") and may assign all of its rights and obligations under this Agreement to the Partnership.

18. Burden to Run with Property. The covenants and conditions contained herein shall run with and burden the Property. Developer shall expressly make the conditions and covenants in this Agreement a part of any deed or other instrument conveying an interest in the Property.

19. Notices. Any notices or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during Consultant's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below:

To Developer: Pacific West Communities, Inc.
430 E. State Street, Suite 100
Eagle, ID 83616
Attn: Caleb Roope

With a copy to:

Central Valley Coalition for Affordable Housing
3351 M Street, Suite 100
Merced, CA 95348
Attn: Christina Alley

With a copy to:

TPC Holdings IX, LLC
430 E. State Street, Suite 100
Eagle, ID 83616
Attn: Caleb Roope

To City:

City of Santa Clara
Housing & Community Services Division
1500 Warburton Avenue
Santa Clara, California 95050
Attention: Division Manager

With a copy to:

City of Santa Clara
1500 Warburton Avenue
Santa Clara, California 95050
Attention: City Attorney

The parties may subsequently change addresses by providing written notice of the change in address to the other parties in accordance with this Section 18.

20. Governing Law. The laws of the State of California shall govern this Agreement. Any legal action brought under this Agreement must be instituted in the Superior Court of the County of Santa Clara, State of California, in an appropriate municipal court in that County, or in Federal District Court in the Northern District of California.

21. Attorney's Fees. In any action brought to declare the rights granted herein or to enforce or to interpret any of the terms of this Agreement, the prevailing party shall be entitled to an award of reasonable attorney's fees in an amount determined by the court.

22. Costs and Expenses. The Developer shall pay all costs and expenses incurred to comply with its obligations arising from this Agreement and incurred by the City or its Housing & Community Services Division and arising from this Agreement, including the review of any requests for approvals made by the Developer.

23. Non-Waiver. Failure to exercise any right City may have or be entitled to, in the event of default hereunder shall not constitute a waiver of such right or any other right in the event of a subsequent default.

24. Further Assurances and Recordation. Developer shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form and do such further acts as may be necessary, desirable or proper as City shall from time to time find necessary or appropriate to effectuate its purpose in entering into this Agreement.

25. Entire Agreement. The text herein and attachments, constitutes the entire agreement between the parties with respect to the matter described herein. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statement or promise not contained in this Agreement shall not be valid or binding.

26. Amendment of This Agreement.

(a) Generally. This Agreement may be amended from time to time in whole or in part by mutual consent of the original parties or their successors in interest, in accordance with this Agreement, the Santa Clara City Code and California law.

(b) Administrative Amendments. Notwithstanding subdivision (a) of this Section, any amendment to this Agreement, whether requested by Developer or City, which does not relate to the term set forth in Section 17 or Section 27; the number, percentage or type of Affordable Units; or the number or type of any incentives or concessions given by the City, may be determined by the City Representative to be an Administrative Amendment and if so, the City Representative shall approve the Administrative Amendment without notice or hearing, and this Agreement and its pertinent exhibits shall be automatically amended without further action by the parties. A memorandum of the amendment shall be executed and recorded to reflect such Administrative Amendment.

27. Term of Agreement. The covenants and restrictions contained in the Agreement shall remain in effect for fifty-five (55) years from the date of Certificate of Occupancy issuance for the Project, including all of the Affordable Units.

28. Severability. If any article, section, subsection, term or provision of this Agreement, or the application thereof to any party or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of the article, section, subsection, term or provision of this Agreement, or the application of the same to parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining article, section, subsection, term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

29. Enforcement. The City of Santa Clara is deemed to be the beneficiary of the terms and provisions of this Agreement and the covenants herein, both for and in its own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit this Agreement and the covenants running with the land have been provided. The City shall have the right if any covenants set forth in this Agreement are breached, to exercise all available rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it is entitled. No remedy herein conferred upon or reserved by the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity

or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of such right or power, but any such right or power may be exercised from time to time and as often as City may deem expedient. In order to entitle the City to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be herein expressly required or required by law to be given.

Developer agrees that, if a breach is not cured within thirty (30) days after written notice by City is provided to Developer, or if such breach cannot be reasonably cured within the thirty (30) day period and Developer has not commenced the curing of such Default, then City shall have all rights and remedies at law or in equity to enforce the curing of such Default.

Additionally, if Developer collects rents from Income-Qualified Households occupying the Affordable Housing Units that require such Income-Qualified Household tenants to pay rent in excess of what is permitted pursuant to this Agreement, and to the extent such excess rents are not required to be reimbursed to the tenants of such Affordable Housing Units, Developer agrees and covenants to reimburse such tenants within ten (10) business days of City's written demand, provided if such tenants cannot be located then the Developer shall pay to the City the full amount of such excess to the City. Developer and City agree that the payment of such excess rent shall be in addition to City's rights and remedies at law or equity.

30. If the City provides Developer with a written notice of violation of this Agreement and Developer has not cured or responded to such notice of violation within one hundred and twenty (120) days, then in addition to City's rights and remedies set forth herein, City shall thereafter have the right to impose a fine of \$150 per month per non-compliant unit until Developer has cured or responded to the notice of violation. Developer shall pay such fine within thirty (30) days of City's written demand.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

City:

CITY OF SANTA CLARA,
a chartered California municipal corporation

By: _____
Jōvan D. Grogan, City Manager

APPROVED AS TO FORM:

By: _____
Glen R. Googins, City Attorney

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

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2023, before me, _____,
Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

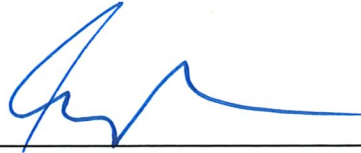
Signature

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

Developer:

Pacific West Communities, Inc., an Idaho Corporation

By:

By: 
Caleb Roope, President

[ATTACH NOTARY ACKNOWLEDGMENT]

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

STATE OF ~~CALIFORNIA~~ ^{Idaho})
) ss:
COUNTY OF Ada)

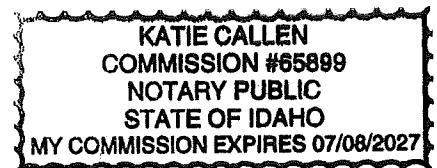
On June 15, 2023, before me Katie Callen,
Notary Public, personally appeared Caleb Roppe,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of ~~California~~ ^{Idaho} that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Katie Callen



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

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2023, before me, _____,
Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

Real property in the City of Santa Clara, County of Santa Clara, State of California, described as follows:

THAT CERTAIN PARCEL SHOWN AND DESIGNATED AS "1.980 ACRES" ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA IN BOOK 333 OF PARCEL MAPS AT PAGE 32.

APN: 294-38-016

EXHIBIT B

Restricted Unit Type	Number of Restricted Units	Affordability Type		Maximum Tenant Household Income
		Very Low Income	Low Income	
BR - Bedroom / BA - Bathroom				
Studio	8	X		30% AMI
Studio	8	X		50% AMI
Studio	52		X	60% AMI
Studio	3		X	80% AMI
1BR/1BA	3	X		30% AMI
1BR/1BA	3	X		50% AMI
1BR/1BA	12		X	60% AMI
1BR/1BA	3		X	80% AMI
2BR/1BA	6	X		30% AMI
2BR/1BA	6	X		50% AMI
2BR/1BA	39		X	60% AMI
2BR/1BA	3		X	80% AMI
3BR/2BA	3	X		30% AMI
3BR/2BA	3	X		50% AMI
3BR/2BA	16		X	60% AMI
3BR/2BA	30		X	80% AMI
Total Restricted Units	198			
Total Non-Restricted Units	2	Manager		
Total Project Units	200			

EXHIBIT C

INCOME LIMITS

The following was issued by HCD pursuant to the *Memorandum dated June 6, 2023, Subject: State Income Limits for 2023*:

Number of Persons in Household:		1	2	3	4	5	6	7	8
Santa Clara County Area Median Income: \$181,300	Acutely Low	19050	21750	24500	27200	29400	31550	33750	35900
	Extremely Low	37450	42800	48150	53500	57800	62100	66350	70650
	Very Low Income	62450	71400	80300	89200	96350	103500	110650	117750
	Low Income	96000	109700	123400	137100	148100	159050	170050	181000
	Median Income	126900	145050	163150	181300	195800	210300	224800	239300
	Moderate Income	152300	174050	195800	217550	234950	252350	269750	287150

<https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/income-limits-2023.pdf>

EXHIBIT D
LOCAL PREFERENCE CRITERIA FOR CITY OF SANTA CLARA'S AFFORDABLE HOUSING PROGRAM

The City has established a priority system for allocating the limited number of affordable rental units. Priority shall be given to income eligible Households/ applicants who meet the City of Santa Clara Preference Criteria below. Please note the Preference Criteria will not be allowed if not permitted by state or federal law or other fair housing restrictions.

The preference system will be used to establish a ranking of applicants. Households that meet priority 1, will be reviewed first, then 2nd priority, so on so forth. Preferences will be evaluated at the time of opportunity drawing submission and verified prior to occupancy.

CITY OF SANTA CLARA'S PREFERENCE/PRIORITY CRITERIA

1st Priority Level (Live AND Work)	At least one household member who both (lives and works) - Currently lives within the City Limits of the City of Santa Clara and for at least the past 6 months at the time of application AND - Currently operates a business or is currently employed by a business or a public or quasi-public agency in the City of Santa Clara for at least the past 6 months at the time of application.
2nd Priority Level	At least one household member who currently lives within the City Limits of the City of Santa Clara and for at least the past 6 months at the
3rd Priority Level (Works)	At least one household member who currently operates a business or is currently employed by a business or a public or quasi-public agency in the City of Santa Clara and for at least the past 6 months at the time of application.
4th Priority Level (All others)	Any other qualified applicant household without regard to residency or employment.
Notes:	<i>The qualifying household member must be the person or a dependent of a person whose name will appear on the lease and who will use the unit as their primary residence.</i> <i>For residency and employment based preferences the person must currently meet the criteria and for at least the past 6 months at the time of application (drawing entry).</i>

Approved July 13,2021 RTC 21-880

EXHIBIT E
SCHEDULE OF COMPLETION AND OCCUPANCY TARGETS

Construction Completion – 12/15/2025

Full Occupancy – 10/1/2026