

RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:  
FIRST TRUST OF CALIFORNIA, NATIONAL ASSOCIATION  
SUITE 400  
ONE CALIFORNIA STREET  
SAN FRANCISCO, CA 94111  
ATTENTION: CORPORATE TRUST DEPARTMENT

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**HOUSING ASSISTANCE PLEDGE AGREEMENT  
AND DECLARATION OF RESTRICTIVE COVENANTS**

**Dated as of March 1, 1997**

**by and among the**

**THE REDEVELOPMENT AGENCY OF THE CITY OF NOVATO**

**PARK ACQUISITION CORPORATION OF  
MARIN VALLEY MOBILE COUNTRY CLUB**

**and the**

**NOVATO FINANCING AUTHORITY**

**Relating to**

**\$1,585,000**

**SUBORDINATE REVENUE BONDS, SERIES 1997B  
(MARIN VALLEY MOBILE COUNTRY CLUB PARK ACQUISITION PROJECT)**

**Issued for the Benefit of the  
NOVATO FINANCING AUTHORITY (CALIFORNIA)**

**Facilitated by the  
CALIFORNIA LOCAL GOVERNMENT FINANCE AUTHORITY**

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**HOUSING ASSISTANCE PLEDGE AGREEMENT  
AND DECLARATION OF RESTRICTIVE COVENANTS**

THIS HOUSING ASSISTANCE PLEDGE AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS, dated as of March 1, 1997, is by and among the Redevelopment Agency of the City of Novato (the "Agency"), the Park Acquisition Corporation of Marin Valley Mobile Country Club (the "PAC") and the Novato Financing Authority (the "Owner");

**W I T N E S S E T H:**

WHEREAS, the Agency is duly constituted under the laws of the State of California and pursuant to such laws proposes to proceed with the redevelopment of certain areas located within the City of Novato, California, (the "City") including without limitation the preservation of affordable housing resources within the City; and

WHEREAS, the Redevelopment Plan for the Novato Redevelopment Project Area provides for tax increment financing in accordance with the provisions of Chapter 6 of Part 1 of Division 24 of the Health and Safety Code of the State of California and Section 16 of Article XVI of the Constitution of the State of California; and

WHEREAS, the Owner desires to acquire the real and personal property (other than the mobile homes and other personal property located thereon owned by private parties) known as the Marin Valley Mobile Country Club Park (the "Project") located in the City, with the proceeds of \$15,485,000 Senior Revenue Bonds, Series 1997A (Marin Valley Mobile Country Club Park Acquisition Project), Issued for the Benefit of the Novato Financing Authority (California), Facilitated by the California Local Government Finance Authority (the "Senior Bonds"), and \$1,585,000 Subordinate Revenue Bonds, Series 1997B (Marin Valley Mobile Country Club Park Acquisition Project), Issued for the Benefit of the Novato Financing Authority (California), Facilitated by the California Local Government Finance Authority (the "Subordinate Bonds"); and

WHEREAS, the Agency desires to assist the Owner, in connection with the purchase of the Project, pursuant to the Agency's redevelopment purposes and in order to provide land and mobile home sites to persons and families of low or moderate income, by granting a pledge of Housing SetAside Revenues on deposit in the Agency's Low and Moderate Income Housing Fund (the "Housing Fund") to the Trustee for the scheduled payment of principal of and interest on the Subordinate Bonds; and

WHEREAS, in order to ensure that the Project will provide a portion of the mobile home sites to persons and families of low or moderate income, the PAC and the Owner agree to restrict a portion of the spaces to rental at an amount not to exceed Affordable Space Rent to persons or families of low or moderate income pursuant to the terms contained herein; and

WHEREAS, the PAC and the Owner have entered into the Marin Valley Mobile Country Club Park Delegation Agreement dated as of March 1, 1997 (the "Delegation Agreement") pursuant to which the PAC will perform certain functions with respect to the Project;

NOW, THEREFORE, in consideration of the mutual covenants herein contained it is agreed by and between the parties hereto as follows:

## ARTICLE I

### DEFINITIONS; GENERAL PROVISIONS

Section 1.01. *Definitions.* Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Agreement, have the meanings herein specified. Terms used herein but not defined herein shall have the meanings given to such terms in the Indenture.

"Affordable Space Rent" shall have the same meaning as "affordable housing cost" as set forth in Section 50052.5 or Section 50053 of the California Health and Safety Code, as determined pursuant to the form of Determination Letter attached hereto as Exhibit D, to be applicable to Very Low Income Spaces, Lower Income Spaces and Moderate Income Spaces rented to Very Low Income Residents, Lower Income Residents and

Moderate Income Residents, respectively.

"Agency" means the Redevelopment Agency of the City of Novato, a public body corporate and politic duly organized and existing under the laws of the State of California.

"Agency Fiscal Year" means any twelvemonth period extending from July 1 in one calendar year to June 30 of the succeeding calendar year, both inclusive, or any other twelvemonth period hereinafter selected and designated by the Agency as its official fiscal year period.

"Agreement" means this Housing Assistance Pledge Agreement and Declaration of Restrictive Covenants, together with any duly authorized and executed amendments hereto.

"Area" means the San Francisco Primary Metropolitan Statistical Area or, with respect to the provisions of Article V hereof, the geographic area which includes the City of Novato, designated from time to time by the United States Department of Housing and Urban Development ("U.S. HUD") or the California Department of Housing and Community Development ("State HCD").

"Average Annual Debt Service" means average annual debt service on the Subordinate Bonds (calculated on a Bond Year).

"Bonds" means, collectively, the Senior Bonds and the Subordinate Bonds.

"Bond Year" means any twelvemonth period extending from April 2 in one calendar year to April 1 of the succeeding calendar year, both inclusive, provided that the initial Bond Year shall extend from the Closing Date and extend to April 1, 1997, both inclusive.

"Business Day" means any day other than (a) a Saturday or Sunday, (b) a day on which (i) banking institutions in the City of New York or in the city in which the Principal Office (as defined in the Indenture) of the Trustee is located are closed, (ii) the New York Stock Exchange is authorized or obligated by law or executive order to be closed, or (c) with respect to actions required to be taken by the Owner or the Agency only, a day on which the offices of the City of Novato are closed to the public.

"Calendar Year" means the twelvemonth period extending from January 1 in one calendar year to December 31 of the same calendar year, both inclusive.

"CLGFA" means the California Local Government Finance Authority.

"Closing Date" means March 13, 1997.

"Code" means the Internal Revenue Code of 1986, as amended.

"Consumer Price Index" means the Consumer Price Index for all urban consumers in the San Francisco/Oakland area published by the Bureau of Labor Statistics.

"Financial Security" means Financial Security Assurance Inc., a New York stock insurance company, its successors and assigns.

"Fiscal Year" means the twelve-month period commencing each July 1 and ending June 30 of the next calendar year, or any other twelve-month period hereinafter selected and designated by the Owner, with prior written consent of Financial Security, as the official fiscal year period for the Project; provided that the initial

Fiscal Year shall commence on the Closing Date and end on June 30, 1997.

"*Housing Fund*" means the Agency's Low and Moderate Income Housing Fund established and maintained by the Agency pursuant to Sections 33334.2 and 33334.3, as applicable, of the Redevelopment Law.

"*Housing Set Aside Revenues*" means moneys allocated to the Agency derived from that portion of taxes levied upon assessable property within the Project Area allocated to the Agency pursuant to Article 6 of Chapter 6 of the Redevelopment Law and Section 16 of Article XVI of the Constitution of the State of California (including all payments and reimbursements, if any, to the Agency specifically attributable to ad valorem taxes lost by reason of tax exemptions and tax rate limitations) and required by Section 33334.2 of the Redevelopment Law to be placed in the Housing Fund for use in preserving, increasing and improving the supply of low and moderate income housing that benefits the City.

"*Income*" means the income of a person (together with the income of all persons who reside or intend to reside with such person in one mobile home) calculated in accordance with the definition of "income" as set forth in Section 50093 of the California Health and Safety Code.

"*Income Certification*" means a Verification of Income in the form attached hereto as Exhibit C or in such other form as may from time to time be provided by the Agency to the PAC.

"*Indemnification Agreement*" means the Indemnification Agreement dated as of March 1, 1997, by and among the Agency, the Owner and CLGFA.

"*Indenture*" means the Trust Indenture dated as of March 1, 1997, entered into between CLGFA and the Trustee relating to the Bonds, as originally executed or as thereafter amended in accordance with its terms.

"*Independent Financial Consultant*" means an independent certified public accountant experienced in municipal financial affairs and tax exempt financing by public entities, who is selected and engaged by the Agency in its sole discretion, and (a) is in fact independent and not under domination of the Agency, the Owner or the City; (b) does not have any substantial interest, direct or indirect, with the Agency, the Owner or the City; and (c) is not connected with the Agency, the Owner or the City as an officer or employee of the Agency, the Owner or the City, but who may be regularly retained to make reports to the Agency, the Owner or the City.

"*Interest Payment Date*" means April 1 and October 1 of each year, commencing October 1, 1997.

"*Loan Agreement*" means the Loan Agreement dated as of March 1, 1997, by and among the PAC, the Owner and CLGFA.

"*Lower Income Resident*" means a resident whose Income does not exceed 80% of median gross income for the Area with adjustments for family size. The determination of a resident's status as a Lower Income Resident shall be made initially by the PAC on or prior to the Closing Date and thereafter by the PAC or the Owner upon initial occupancy of a Unit in the Project by such Resident, and annually after the Closing Date or the initial occupancy of such Unit, as the case may be, and at any time the PAC or the Owner has knowledge that the number of occupants in that Unit has increased, on the basis of an Income Certification executed by the resident.

"*Lower Income Spaces*" means the mobilehome spaces in the Project required to be rented to, or held available for occupancy by, Lower Income Residents pursuant to Article V hereof.

"*Moderate Income Resident*" means a resident whose Income does not exceed 120% of median gross

income for the Area with adjustments for family size. The determination of a resident's status as a Moderate Income Resident shall be made initially by the PAC on or prior to the Closing Date, and thereafter by the PAC or the Owner upon initial occupancy of a Unit in the Project by such Resident, and annually after the Closing Date or the initial occupancy of such Unit, as the case may be, and at any time the PAC or the Owner has knowledge that the number of occupants in that Unit has increased, on the basis of an Income Certification executed by the resident.

"*Moderate Income Spaces*" means the mobile home spaces in the Project required to be rented to, or held available for occupancy by, Moderate Income Residents pursuant to Article V hereof.

"*NOI for Pledge Agreement*" means the gross rents for the Project for the most recently completed Fiscal Year for which audited financial statements are available less the amounts set forth in *first* through *twentieth* under Section 5.03(b) of the Indenture.

"*Owner*" means the Novato Financing Authority, a joint powers authority duly organized and existing under that certain Joint Exercise of Powers Agreement, dated October 15, 1996, as amended November 4, 1996, by and between the City and the Agency, together with any amendments thereof and supplements thereto, and its successors and assigns.

"*PAC*" means the Park Acquisition Corporation of Marin Valley Mobile Country Club, and its successors and assigns.

"*Parity Lien Debt*" means any bond, note, obligation, guaranty, contingent obligation, or evidence of indebtedness of the Agency made or incurred within the restrictions of Section 2.03 hereof and which is payable from or secured in whole or in part by a pledge of, a lien upon or other interest in Housing Set Aside Revenues on a basis which is on a parity with the pledge of Pledged Tax Revenues pursuant to this Agreement.

"*Pledge*" means the pledge of Pledged Tax Revenues pursuant to Section 2.01 of this Agreement.

"*Pledge Amount*" means an amount equal to \$130,000 multiplied by a fraction which is derived by dividing the Average Annual Debt Service as of the date of calculation by the Average Annual Debt Service as of the Closing Date.

"*Pledge Payment Date*" means any date on which the Agency is required to transfer any Pledged Tax Revenues to the Trustee pursuant to Section 3.01.

"*Pledged Tax Revenues*" means for each Agency Fiscal Year, commencing with the Agency Fiscal Year from July 1, 1997, to June 30, 1998, the first Housing Set Aside Revenues in an amount equal to the Pledge Amount for such Agency Fiscal Year.

"*Project*" means the land and improvements, excluding mobile homes located thereon other than those to be used by any property manager, described more particularly in Exhibit A attached hereto.

"*Project Area*" means the Novato Redevelopment Project Area of the Agency which is subject to the Redevelopment Plan for the Novato Redevelopment Project adopted by the City Council on November 29, 1989, by Ordinance No. 1040.

"*Project Period*" means the period extending from the Closing Date to the later of (a) payment in full of all obligations owed to the Agency hereunder, (b) the release and termination of the Agency's indemnification obligations under the Indemnification Agreement, (c) the Termination Date and (d) March 31, 2012; provided

that the provisions of Article V shall continue to remain in effect for any period of extension thereof as provided in Section 5.01(n).

"*Redevelopment Agency Counsel*" means a firm of attorneys at law recognized as experienced in matters pertaining to the Redevelopment Law.

"*Redevelopment Law*" means the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State of California and the acts amendatory thereof and in supplement thereto. Whenever reference is made in this Agreement to the Redevelopment Law, reference is made to the Redevelopment Law as in force on the date of the execution of this Agreement, unless the context otherwise requires.

"*Rent Adjustment Ordinance*" means Ordinance No.1341 adopted on February22, 1996, by the City Council of the City of Novato, as amended from time to time.

"*Senior Bonds*" means the \$15,485,000 aggregate principal amount of Senior Revenue Bonds, Series1997A (Marin Valley Mobile Country Club Park Acquisition Project), Issued for the Benefit of the Novato Financing Authority (California), Facilitated by the California Local Government Finance Authority, executed and delivered and any time Outstanding under the Indenture.

"*Subordinate Bonds*" means the \$1,585,000 aggregate principal amount of Subordinate Revenue Bonds, Series 1997B (Marin Valley Mobile Country Club Park Acquisition Project), Issued for the Benefit of the Novato Financing Authority (California), Facilitated by the California Local Government Finance Authority, executed and delivered and at any time Outstanding under the Indenture.

"*Subordinate Cashtrap Account*" means the account by that name created and held by the Trustee pursuant to the Indenture.

"*Subordinate Pledged Funds Account*" means the account by that name created and held by the Trustee pursuant to Section 5.06 of the Indenture.

"*Termination Date*" has the meaning set forth in Section3.03(a) herein.

"*Trustee*" means First Trust of California, National Association, as trustee, including its successors and assigns, acting as such under the Indenture, or any other entity then performing the function of trustee under the Indenture.

"*Unit*" means a mobile home located upon a space within the Project.

"*Very Low Income Resident*" means a resident whose Income does not exceed 50% of median gross income for the Area with adjustments for family size. The determination of a resident's status as a Very Low Income Resident shall be made initially by the PAC on or prior to the Closing Date and thereafter by the PAC or the Owner upon initial occupancy of a Unit in the Project by such Resident, and annually after the Closing Date or the initial occupancy of such Unit, as the case may be, and at any time the PAC or the Owner has knowledge that the number of occupants in that Unit has increased, on the basis of an Income Certification executed by the resident.

"*Very Low Income Spaces*" means the mobile home spaces in the Project required to be rented to, or held available for occupancy by, Very Low Income Residents pursuant to Article V hereof.

Section 1.02. **Authorization; Recitals True.** Each of the parties hereby represents and warrants that the recitals in the forepart of this Agreement are true and correct and that it has full legal authority and is duly empowered to enter into this Agreement and perform its obligations hereunder, and has taken all actions necessary to authorize the execution and delivery of this Agreement by the officers and persons signing it.

Section 1.03. **Term of Agreement.** This Agreement shall take effect upon the Closing Date and shall terminate upon the end of the Project Period.

Section 1.04. **Rules of Interpretation.** Words of any gender shall be deemed and construed to include correlative words of all genders. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include corporations, partnerships, joint ventures and associations, including public bodies, as well as natural persons. The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Agreement, refer to this Agreement. Unless the context otherwise indicates, references in this Agreement to articles, sections and paragraphs are to articles, sections and paragraphs of this Agreement.

Section 1.05. **Representations and Warranties.** The Agency represents and warrants as follows:

(a) the Agency is duly authorized and has full power and authority under the Constitution and laws of the State to execute and deliver this Agreement, to assume the obligations set forth herein, and to perform its obligations hereunder. The Agency has duly authorized the execution and delivery of this Agreement and, when duly executed and delivered by the other parties hereto, this Agreement will constitute a legal, valid and binding agreement of the Agency, enforceable against the Agency in accordance with its terms, except as the enforceability thereof may be subject to (1) the exercise of judicial discretion in accordance with general equitable principles and (2) applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws for the relief of debtors heretofore or hereafter enacted;

(b) the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby do not conflict with or constitute a breach of or a default under the Redevelopment Law or any other law or regulation applicable to the Agency or under the terms and conditions of any agreement or instrument to which the Agency is a party or by which the Agency is bound;

(c) there is no action, suit or proceeding pending or to the best knowledge of the Agency, threatened in writing against or affecting the Agency or involving the validity or enforceability of this Agreement at law or in equity, or before or by any governmental authority. The Agency is not in default in any material respect under any mortgage, pledge agreement, deed of trust, lease, loan or credit agreement or other instrument to which it is a party or by which it or any of its properties is bound;

(d) the pledge under this Pledge Agreement is a "pledge" of "collateral" as defined in California Health & Safety Code Section 33641.5, and as such is valid and binding from and after the date of this Agreement. The Pledged Tax Revenues shall immediately be subject to the lien of such Pledge without any physical delivery thereof or further act to maintain the validity or enforceability of the Pledge, including, without limitation, any actions relating to operation of the Project in any particular manner. The lien of the Pledge shall be a first priority lien in favor of the Trustee and shall be valid and binding as against, and have priority over, all other parties, irrespective of whether such parties have notice thereof;

(e) no authorization or approval or other action by, and no notice to or filing with, any federal, state or local government body, agency or authority is required for the due execution, delivery and performance by the Agency of this Agreement which has not been obtained;

(f) the Agency shall not adopt any finding under California Health and Safety Code Section 33334.2(a)(1)(3) during the term of this Agreement; and

(g) the Agency hereby represents and warrants that no other lien or pledge exists with respect to the Pledged Tax Revenues which is on a parity with or superior to the pledge and lien created by this Agreement.

## ARTICLE II

### HOUSING ASSISTANCE PLEDGE OBLIGATION

Section 2.01. ***Housing Assistance Pledge Obligation of Agency.*** In consideration of the Owner's acquisition of the Project and its agreement hereunder to provide a portion of the land and mobile home spaces and the Units thereon to Very Low Income Residents, Lower Income Residents and Moderate Income Residents during the Project Period as herein set forth, and the issuance of the Subordinate Bonds to partially finance such acquisition, the Agency hereby unconditionally and irrevocably pledges and assigns the Pledged Tax Revenues to the Trustee for the timely payment of principal of and interest on the Subordinate Bonds, but only to the extent expressly provided herein. Pursuant to the Indenture, the Trustee accepts such pledge and, pursuant to the Indenture, shall apply the proceeds of the Subordinate Bonds in the manner set forth in the Indenture to enable the Owner to undertake the acquisition of the Project. In addition, on the Closing Date, \$130,000 of the proceeds of the Subordinate Bonds shall be deposited into the Subordinate Pledged Funds Account held by the Trustee. Payments of the Pledged Tax Revenues to the Trustee shall be payable as set forth in Section 3.01.

The Pledge created hereby shall be valid and binding from and after the date of this Agreement and the Pledged Tax Revenues hereby pledged shall, pursuant to the Redevelopment Law, immediately be subject to the first priority lien of such Pledge without any physical delivery thereof or further act and the lien of such Pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Agency, irrespective of whether such parties have notice thereof. The obligation of the Agency to make the payments required under Section 2.01 shall be payable solely from the Pledged Tax Revenues and no other funds or properties of the Agency shall be pledged to the satisfaction of the Agency's obligations under this Agreement.

Section 2.02. ***Covenants Relating to Pledge of Pledged Tax Revenues.*** The obligations of the Agency hereunder are and shall be secured by the Pledge. The Agency hereby covenants to take all actions and execute all documents as may be reasonably required to ensure the timely payment to the Trustee of all Pledged Tax Revenues to which the Agency is entitled, and to apply all Pledged Tax Revenues to the payment of its obligations hereunder, subject only to the provisions of Sections 2.03 and 2.04.

Section 2.03. ***Limitation on Future Indebtedness.*** The Agency hereby agrees that it shall not issue or incur any Parity Lien Debt. The foregoing provisions shall not restrict the Agency from issuing or making any obligations payable from or secured by the Housing SetAside Revenues which are junior and subordinate to the pledge of and lien upon Housing SetAside Revenues hereunder. During the term of this Agreement, the Agency shall not issue or incur any obligation payable from or secured by the Housing Set-Aside Revenues which are senior or superior to the pledge of and lien upon Pledged Tax Revenues hereunder.

Section 2.04. ***Assignment to Trustee.*** All of the amounts payable by the Agency under this Agreement are hereby pledged and assigned to the Trustee. The Agency hereby consents to such assignment and agrees to pay all amounts payable hereunder, when due, in immediately available funds, directly to the Trustee at its principal corporate trust office in San Francisco, California.

## ARTICLE III

### PAYMENT OF PLEDGED TAX REVENUES

Section 3.01. *Transfer of Pledged Tax Revenues.* By 2:00 p.m. Pacific time, on or before the August 15 or February 15, as applicable, immediately preceding each Interest Payment Date, commencing on February 15, 1998 (or the first Business Day thereafter if such day is not a Business Day), the Agency shall deliver an amount of Pledged Tax Revenues in immediately available funds to the Trustee in such amount as identified in the notice sent by the Trustee to the Agency pursuant to Section 5.06(c) of the Indenture to cause the amount on deposit in the Subordinate Pledged Funds Account to equal the Pledge Amount; provided, however, that the Agency shall not be obligated to transfer to the Trustee more than the Pledge Amount during any Bond Year.

Section 3.02. *Excess Earnings in Subordinate Pledged Funds Account.* Amounts on deposit in the Subordinate Pledged Funds Account in excess of the Pledge Amount attributable to investment earnings, including interest earnings, shall be applied by the Trustee to the Subordinate Bonds Interest Account in the Bond Fund held by the Trustee under the Indenture on the day prior to the Trustee giving written notice to the Agency, the Owner, the PAC and the Controlling Party pursuant to Section 5.06(c) of the Indenture.

#### Section 3.03. *Release of Pledge and Amounts on Deposit in Subordinate Pledged Funds Account.*

(a) The Agency's obligations under Articles II, III and IV of this Agreement, including the Pledge of the Pledged Tax Revenues, shall terminate and no longer be in force and effect upon the date (the "Termination Date") of the earliest to occur of the following events: (i) no Subordinate Bonds remain Outstanding under the Indenture, and (ii) November 29, 2023.

(b) On each Interest Payment Date after payment in full of the principal of and interest on any Subordinate Bonds scheduled for payment on such date, all amounts on deposit in the Subordinate Pledged Funds Account in excess of the Pledge Amount (other than investment earnings) shall be deposited into the Subordinate Debt Service Reserve Fund to the extent the amount then on deposit therein is less than the Subordinate Reserve Requirement and the remainder of such excess shall be applied as follows: (i) on or prior to April 1, 2009, 60% of such excess shall be deposited into the Subordinate Cashtrap Account and the remaining 40% shall be transferred to the Agency and (ii) after April 1, 2009, all such excess amounts shall be transferred to the Agency.

(c) All amounts on deposit in the Subordinate Pledged Funds Account on the Termination Date shall be applied by the Trustee (i) first, to pay principal of and interest on any Subordinate Bonds then Outstanding, (ii) second, to reimburse the Agency for all unreimbursed amounts deposited by the Agency into the Subordinate Pledged Funds Account, together with interest thereon as calculated in accordance with Section 3.04 herein and (iii) third, (A) if the Pledge is terminated on or prior to April 1, 2009, 60% of the amount in the Subordinate Pledged Funds Account shall be applied to the cost of capital improvements for the Project and the remaining funds shall be transferred to the Agency and (B) if the Pledge is terminated after April 1, 2009, then all amounts then on deposit in the Subordinate Pledged Funds Account shall be transferred by the Trustee to the Agency. The Agency covenants and agrees (i) to spend all amounts received pursuant to this Section 3.03 on capital expenditures for which the proceeds of bonds the interest on which is excluded from gross income for federal income tax purposes may be expended, (ii) to spend all amounts received pursuant to this Section 3.03 on capital expenditures for the purpose of increasing, improving and preserving the City's supply of low- and moderate-income housing pursuant to Health and Safety Code Section 33334.2 unless the Agency receives an opinion of Redevelopment Agency Counsel that another use is permitted pursuant to the laws of the State of California, and (iii) to otherwise comply with the provisions of the tax certificate delivered by the Owner at the time of issuance of the Bonds, unless the Agency receives an opinion of nationally recognized bond counsel to

the effect that the Agency's use of such amounts for another purpose will not cause the interest on any of the Bonds to become includable in the gross income of the owners thereof for federal income tax purposes.

**Section 3.04. *Repayment of Obligation to Agency.***

(a) All amounts paid by the Agency hereunder for deposit into the Subordinate Pledged Funds Account and not previously repaid to the Agency shall bear interest from the date such amount is paid by the Agency to, but not including, the date of repayment at an interest rate of 7.50% per annum and shall be calculated on the basis of a 360-day year of twelve 30-day months. Subject to Section 3.04(b) hereof, all such amounts owed to the Agency shall be paid, except as otherwise expressly provided in Section 3.03, from Revenues as set forth in Section 5.03(b)(xviii) of the Indenture. Notwithstanding the termination of the Pledge and the other obligations of the Agency hereunder pursuant to the terms of this Agreement, the provisions hereunder with respect to the repayment obligations owed to the Agency as set forth in Sections 3.03 and this Section 3.04, and the agreement to raise rents as set forth in Section 3.05, shall continue and be in full force and effect until all obligations owed to the Agency hereunder are repaid in full.

In addition, and as an independent and separate obligation of the Project, arising only after no Senior Bonds remain Outstanding and all amounts due to Financial Security under the Insurance Agreement or the Indenture have been paid in full, all amounts paid by the Agency under the Indemnification Agreement and not previously repaid to the Agency shall be repaid to the Agency from Revenues of the Project and shall bear interest from the date such amount is paid by the Agency to, but not including, the date of repayment at an interest rate of 7.50% per annum and shall be calculated on the basis of a 360-day year of twelve 30-day months.

In order to secure the obligations owed to the Agency hereunder, subject to the terms and provisions of, and the priorities set forth in the Indenture, the Owner hereby grants, conveys, pledges, transfers and assigns to the Agency (on a subordinate basis in all respects and subject to the first priority lien and mortgage of the Trustee with respect to payment of the Senior Debt (as defined in the Loan Agreement) and obligations owed to Financial Security under the Indenture and the Insurance Agreement (as such term is defined in the Indenture)) a security interest in Revenues.

(b) The Agency, by execution of this Agreement, expressly agrees to and acknowledges that the repayment obligations of the Owner and the PAC hereunder are subordinate in right, time, priority and interest to the payment obligations of the PAC and the Owner under the Loan Agreement, Indenture, Notes, Mortgage and Insurance Agreement, and (i) whether or not the Owner, the PAC or CLGFA is insolvent, no payments will be due and payable hereunder if the Trustee does not rightfully hold sufficient funds pursuant to Section 5.03(b)(xviii) of the Indenture to make such payment and the Agency shall have no right to demand payment from any other source, (ii) the Agency will not institute against, or join any other person in instituting against, CLGFA, the Owner or the PAC any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding, or other proceeding under any bankruptcy or similar law, until the later of: (x) the date on which no Senior Bonds remain Outstanding under the Indenture and no amounts are due and payable to Financial Security under the Indenture or the Insurance Agreement (as defined in the Indenture) or (y) the day which is the 123rd day after the expiration of the Insurance Agreement and (iii) as long as any Senior Bonds remain Outstanding under the Indenture or any amounts are due and payable to Financial Security under the Indenture or the Insurance Agreement, a failure to make any payment to the Agency will not constitute a breach hereof and no default may be declared or shall exist with respect to any obligations owed to the Agency hereunder. In addition, if a Trigger Event (as defined in the Indenture) or an Event of Default (as defined in the Indenture) occurs, no payment shall be due and payable to the Agency hereunder until the first Allocation Date occurring after the receipt by the Trustee of a Cure Notice (as defined in the Indenture).

Section 3.05. **Rent Adjustments.** In each Calendar Year, commencing with Calendar Year 1998, the PAC and the Owner shall promptly take action to raise rents with respect to the mobile home sites located in the Project by an amount at least equal to 75% of the percentage increase in the Consumer Price Index for the preceding Calendar Year. In addition, unless Financial Security has agreed to release the amount required from the Senior Cashtrap Account or such increase is otherwise being funded from another source, the PAC and the Owner shall promptly take action to provide for or raise the current capital improvement passthrough rents with respect to the mobile home sites located in the Project to the extent that the current Replacement Reserve Requirement is less than the Replacement Reserve Requirement for the succeeding Fiscal Year, based on the Capital Plan.

The Owner and the PAC covenant that they will fix, charge and collect, or cause to be fixed, charged and collected, rates, rentals, fees and charges for the use of and for the services furnished or to be furnished by the Project which will be sufficient in each Fiscal Year to produce an NOI for Pledge Agreement equal to at least \$100,000 for such and each subsequent Fiscal Year. The PAC covenants to review on a monthly basis the projected budget for the Project. If pursuant to such review the PAC determines that the NOI for Pledge Agreement during the immediately previous or the next twelve-month period was or is expected to be less than \$100,000 for such twelvemonth period, then the PAC and the Owner will raise rents in an amount necessary to cause the NOI for Pledge Agreement to equal \$100,000 for the next twelve months. All rent adjustments hereunder shall be subject to the requirements of (i) the Rent Adjustment Ordinance to the extent then applicable to the Project and (ii) Article V hereof as applicable to Very Low Income Spaces, Lower Income Spaces and Moderate Income Spaces rented to Very Low Income Residents, Lower Income Residents and Moderate Income Residents, respectively.

## ARTICLE IV

### COVENANTS

Section 4.01. *[Reserved]*.

Section 4.02. **Housing Fund.** Until the Termination Date, the Agency hereby agrees to maintain the Housing Fund and to deposit therein all Housing SetAside Revenues. Subject only to (i) the Pledge pursuant to Section 2.01 of this Agreement for any Pledge Amount payable under Section 3.01 of this Agreement, and (ii) the limitation set forth in Section 2.03 of this Agreement, the Agency shall have the unrestricted right, in its sole discretion, to apply and expend Housing Set-Aside Revenues deposited in its Housing Fund for the purposes authorized by the Redevelopment Law. The obligations of the Agency set forth in Articles II and III of this Agreement shall constitute an indebtedness of the Agency incurred in carrying out its housing program and secured by a pledge of the Housing SetAside Revenues to repay such indebtedness under the provisions of Article XVI, Section 16 of the California Constitution and Sections 3367033677 of the Redevelopment Law.

Section 4.03. **Payment on Claims.** The Agency will promptly pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, could become a lien or charge upon the Pledged Tax Revenues or part thereof, or which could impair the security for the Agency's obligations under this Agreement. Nothing herein shall require the Agency to make any such payment so long as the Agency in good faith shall contest the validity of said claims.

Section 4.04. **Books and Accounts.** The Agency will keep, or cause to be kept, proper books or records and accounts, separate from all other records and accounts of the Agency and the City, in which complete and correct entries shall be made of all transactions relating to the Housing SetAside Revenues and Pledged Tax Revenues and the Housing Fund. Such books of record and accounts shall at all times during business hours be subject, upon prior written request, to the reasonable inspection of the Trustee, Financial Security and the

owners of any Subordinate Bonds then Outstanding. The Agency will give Financial Security written notice of any change in its Fiscal Year.

Section 4.05. **Further Assurances and Corrective Instruments.** The Agency, CLGFA, the PAC and the Owner agree that they shall, from time to time, and with the consent of or at the request of Trustee, as the case may be, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or otherwise for carrying out the purposes and intent of this Agreement.

Section 4.06. **Obligations Absolute.** The obligations of the Agency hereunder shall be absolute, and shall be paid or performed strictly in accordance with this Agreement under all circumstances irrespective of: (a) any lack of validity or enforceability of, or any amendment or other modifications of, or waiver with respect to, this Agreement or the Indenture or any Mortgage Loan Document; (b) any exchange or release of any other obligations hereunder; (c) the existence of any claim, setoff, defense reduction, abatement or other right which the Agency may have at any time against the Owner, CLGFA, the PAC, any Subordinate Bondholder or the Trustee; (d) any breach by the Agency of any representation, warranty or covenant contained in this Agreement; (e) any foreclosure under the Mortgage (as defined in the Indenture) or the pursuit of any remedies under the Indenture or any Mortgage Loan Document or (f) any other circumstances, other than payment in full, which might constitute a defense available to, or discharge of, the Agency with respect to this Agreement.

Section 4.07. **Indemnification.** To the extent permitted by law, the Agency shall and hereby agrees to indemnify and save CLGFA and the Owner and its officers, agents, employees, successors and assigns harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of any breach or default on the part of the Agency in the performance of any of its obligations under this Agreement but only to the extent of Pledged Tax Revenues. No indemnification is made under this Section or elsewhere in this Agreement for willful misconduct or gross negligence under this Agreement by the Owner, the PAC, CLGFA or the Trustee, or any of their officers, agents, employees, successors or assigns.

Section 4.08. **Remedies.** Whenever any breach or default under this Agreement shall have happened and be continuing, CLGFA and the Owner may exercise, with the consent of the Owners of a majority of the Subordinate Bonds then Outstanding, and upon the written direction of the Trustee or the owners of a majority of the Subordinate Bonds then Outstanding, the Owner shall exercise at no expense of the Trust Estate any and all remedies available at law or in equity or granted pursuant to this Agreement; provided, however, that notwithstanding anything herein or in the Indenture to the contrary, there shall be no right under any circumstances to accelerate payment of Pledged Tax Revenues or otherwise declare any payment of Pledged Tax Revenues not then in default immediately due and payable. The Trustee and the owners of a majority of the Subordinate Bonds then Outstanding shall have the right to consent to or direct all actions taken against the Agency pursuant to this Agreement. The Trustee shall give notice of any default or breach to the Subordinate Bondholders as soon as practicable following the occurrence of such default or breach. The party in default or breach shall pay upon demand all of the fees and expenses paid or incurred by the Trustee or the Subordinate Bondholders in enforcing the provisions of this Agreement.

Section 4.09. **Annual Budget Approval.** On or before each May 1 commencing May 1, 1998, the PAC shall submit or cause the property manager for the Project to submit to the Agency a proposed budget (the "Budget") of monthly operating expenses to be incurred in connection with the operation of the Project for the succeeding Fiscal Year. The Budget shall demonstrate to the satisfaction of the Agency in its sole discretion that for the Fiscal Year in question: (1) no payments will be required by the Agency under Section 3.01 of this Agreement; (2) any repayments due the Agency under Sections 3.03 and 3.04 of this Agreement, together with any interest, will be made in a timely manner; and (3) a 1.50x Senior Debt Service Coverage Ratio will be maintained at all times during the Fiscal Year. Within 30 calendar days of the receipt of the proposed Budget,

the Agency shall submit comments or questions concerning the Budget, if any, to the PAC to which the PAC shall respond in writing within five Business Days of receipt. Representatives of the PAC shall meet with the Agency, its staff or its representative(s) as necessary in order to clarify Budget items and/or discuss questions raised by the Agency. Provided that a proposed Budget is submitted to the Agency together with a certificate stating that the Agency shall have 30 days after receipt to give comments on the Budget or it shall be assumed to be approved by the Agency, such Budget shall be assumed to be approved by the Agency after 30 days unless the Agency gives written notice otherwise to the PAC within 30 days of receipt of the proposed Budget.

Section 4.10. **Monthly Financial Statements.** As soon as available, the unaudited balance sheets of the Project as of the end of such month and the unaudited statements of income and cash flows of the Project for the month of the Fiscal Year then ended, all in reasonable detail and stating in comparative form the respective figures for the corresponding date and period in the preceding Fiscal Year, in accordance with generally accepted accounting principles consistently applied (subject to normal yearend adjustments), and shall be delivered to the Agency.

Section 4.11. **Annual Audit.** On or before October 1 during each Fiscal Year of the term of this Agreement, the PAC shall provide the Agency with a signed copy of the audited financial statements required by the Insurance Agreement.

Section 4.12. **Nondiscrimination by Authority.** The Owner covenants and agrees, for itself and its successors and assigns and any subcontracting parties or other transferees, that there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the Project, nor shall the Owner, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the Project; provided, however, that the Project may continue to be available to "Seniors Only" consisting of individuals who are 55 years old or older. The foregoing covenants shall run with the land.

Section 4.13. **Nondiscrimination by PAC.** The PAC covenants and agrees, for itself and its successors and assigns and any subcontracting parties or other transferees, that there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the Project, nor shall the PAC, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the Project. The foregoing covenants shall run with the land.

## ARTICLE V

### VERY LOW, LOWER AND MODERATE INCOME RESIDENTS

Section 5.01. **Very Low, Lower and Moderate Income Resident Restrictions.** The PAC hereby represents, warrants and covenants as follows:

(a) Commencing on the Closing Date (except as provided in paragraph (b) below), during the Project Period (subject to the extension as provided in Section 5.01(n)) no less than 20 of the total number of spaces of the Project shall at all times be rented to and occupied by Very Low Income Residents at rents not to exceed Affordable Space Rent. For the purposes of this paragraph(a), a vacant space which was most recently occupied by a Very Low Income Resident is treated as rented and occupied by a Very Low Income Resident

until reoccupied, other than for a temporary period of not more than 31 days, at which time the character of such Unit shall be redetermined.

(b) Commencing on the next Interest Payment Date (the "Commencement Date") after a transfer of Pledged Tax Revenues or an indemnification payment made under the provisions of the Indemnification Agreement which equals or exceeds, when added to prior unreimbursed transfers of Pledged Tax Revenues or indemnification payments, a total aggregate amount outstanding at any one time of \$150,000 (the "Increased Restriction Event"), Very Low Income Residents shall occupy at least 33 spaces in the Project (excluding spaces occupied by property managers) subject to the maintenance of a 1.50x Senior Debt Service Coverage Ratio (the "Required Coverage Amount"), before any additional spaces are occupied by persons who are not Very Low Income Residents; and until the first Interest Payment Date after the Increased Restriction Event ceases to exist (but subject to the Required Coverage Amount), no less than 33 of the total number of spaces of the Project shall at all times be rented to and occupied by Very Low Income Residents at rents not to exceed Affordable Space Rent. For the purposes of this paragraph(b), a vacant space which was most recently occupied by a Very Low Income Resident is treated as rented and occupied by a Very Low Income Resident until reoccupied, other than for a temporary period of not more than 31 days, at which time the character of such Unit shall be redetermined.

For purposes of Sections 5.01(b), (d) and (f), the determination of whether the Required Coverage Amount is maintained shall be as follows:

(i) On the Commencement Date, the Required Coverage Amount must have been maintained for the immediately preceding six-month period, and, if it has not been maintained no Increased Restriction Event will be deemed to have occurred until the Interest Payment Date (the "Effective Date") on which the Senior Debt Service Coverage Ratio for the immediately preceding six-month period was at least 1.50x. In such event, none of the requirements to increase the number of spaces required to be rented to Very Low Income Residents, Lower Income Residents or Moderate Income Residents (collectively, the "Increased Restrictions") pursuant to Sections 5.01(b), (d) and (f) shall be in effect until the Effective Date, if any (subject to (ii) below).

(ii) If the Required Coverage Amount was maintained for the six-month period preceding the Commencement Date or, as applicable, an Effective Date, prior to leasing any additional space pursuant to any of the Increased Restrictions, the Required Coverage Amount, calculated as if the rent paid pursuant to such lease was no greater than the applicable Affordable Space Rent, must be maintained for the immediately preceding month.

(c) Commencing on the Closing Date (except as provided in paragraph (d) below), during the Project Period (subject to the extension as provided in Section 5.01(n)) no less than 20 of the total number of spaces of the Project shall at all times be rented to and occupied by Lower Income Residents at rents not to exceed Affordable Space Rent. For the purposes of this paragraph(c), a vacant space which was most recently occupied by a Lower Income Resident is treated as rented and occupied by a Lower Income Resident until reoccupied, other than for a temporary period of not more than 31 days, at which time the character of such Unit shall be redetermined.

(d) Commencing on the Commencement Date, Lower Income Residents shall occupy at least 32 spaces in the Project (excluding spaces occupied by property managers) subject to the Required Coverage Amount and paragraph (b) above, before any additional spaces are occupied by persons who are not Lower Income Residents; and until the next Interest Payment Date after the Increased Restriction Event ceases to exist, but subject to the Required Coverage Amount and paragraph (b) above, no less than 32 of the total number of spaces of the Project shall at all times be rented to and occupied by Lower Income Residents at rents not to

exceed Affordable Space Rent. For the purposes of this paragraph(d), a vacant space which was most recently occupied by a Lower Income Resident is treated as rented and occupied by a Lower Income Resident until reoccupied, other than for a temporary period of not more than 31days, at which time the character of such Unit shall be redetermined.

(e) Commencing on the Closing Date (except as provided in paragraph (f) below), during the Project Period (subject to extension as provided in Section 5.01(n)) no less than 40 of the total number of spaces of the Project shall at all times be rented to and occupied by Moderate Income Residents at rents not to exceed Affordable Space Rent. For the purposes of this paragraph(e), a vacant space which was most recently occupied by a Moderate Income Resident is treated as rented and occupied by a Moderate Income Resident until reoccupied, other than for a temporary period of not more than 31days, at which time the character of such Unit shall be redetermined.

(f) Commencing on the Commencement Date, Moderate Income Residents shall occupy at least 65 spaces in the Project (excluding spaces occupied by property managers) subject to the Required Coverage Amount and paragraph (b) above, before any additional spaces are occupied by persons who are not Moderate Income Residents; and until the next Interest Payment Date after the Increased Restriction Event ceases to exist, but subject to the Required Coverage Amount and paragraph (b) above, no less than 65 of the total number of spaces of the Project shall at all times be rented to and occupied by Moderate Income Residents at rents not to exceed Affordable Space Rent. For the purposes of this paragraph(f), a vacant space which was most recently occupied by a Moderate Income Resident is treated as rented and occupied by a Moderate Income Resident until reoccupied, other than for a temporary period of not more than 31days, at which time the character of such Unit shall be redetermined.

(g) No resident qualifying as a Very Low, Lower or Moderate Income Resident shall be denied continued occupancy of a space in the Project because, after admission, such resident's Income increases to exceed the qualifying limit for Very Low Income Residents, Lower Income Residents or Moderate Income Residents, as the case may be; provided, however, that should a Very Low Income Resident's, Lower Income Resident's or Moderate Income Resident's Income, as of the most recent determination thereof, exceed 140% of the then applicable income limit for a Very Low, Lower or Moderate Income Resident of the same family size, if the PAC or the Owner is unable to qualify an existing resident as a Very Low Income Resident, Lower Income Resident or Moderate Income Resident, as the case may be, in order to replace such resident, the next available space of comparable or smaller size must be rented to (or held vacant and available for immediate occupancy by) a Very Low Income Resident, Lower Income Resident or Moderate Income Resident, as the case may be; and provided further that, until such next available space is rented to a resident who is a Very Low Income Resident, Lower Income Resident or Moderate Income Resident, the former Very Low Income Resident, Lower Income Resident or Moderate Income Resident who has ceased to qualify as such shall be deemed to continue to be a Very Low Income Resident, Lower Income Resident or Moderate Income Resident for purposes of the requirements of paragraphs(a) through (f) of this Section5.01.

(h) The PAC or the Owner will obtain, complete, and maintain on file Income Certifications as set forth in ExhibitC hereto from each Very Low Income Resident, Lower Income Resident and Moderate Income Resident, including (i)an Income Certification dated immediately prior to the initial occupancy of such Very Low Income Resident, Lower Income Resident or Moderate Income Resident in the Project and, in the case of residents residing in the Project as of the Closing Date, dated immediately prior to the disbursement of Bond proceeds to fund acquisition of the Project and (ii)thereafter, annual Income Certifications dated as of the anniversary date of each initial Income Certification together with, in the case of (i) and (ii), a certification that the space rent for such Very Low, Lower and Moderate Income Resident does not exceed the Affordable Space Rent applicable to such Resident. The PAC will obtain such additional information as may be required in the future by the State of California, and by the Agency, or in such other form and manner as may be required by

applicable rules, rulings, policies, procedures, or other official statements now or hereafter promulgated, proposed or made which are applicable to the Project. A copy of the most recent Income Certification for Very Low Income Residents, Lower Income Residents and Moderate Income Residents commencing or continuing occupation of a Very Low Income Space, Lower Income Space or Moderate Income Space, as the case may be (and not previously filed with the Agency), shall be attached to the Certificate of Continuing Program Compliance which is to be filed with the Agency, no later than the fifteenth day of the first month of each calendar quarter until the end of the Project Period. The PAC or the Owner shall make a good faith effort to verify that the income information provided by an applicant in an Income Certification is accurate by obtaining documentation that the Agency shall deem relevant, such as the two most recent years' tax returns or other forms of independent verification satisfactory to the Agency.

(i) The PAC or the Owner will prepare and submit to the Agency no later than the fifteenth day of the first month of each calendar quarter until the end of the Project Period, a Certificate of Continuing Program Compliance as set forth in Exhibit B executed by the PAC or the Owner stating (i) the number of the spaces of the Project which were occupied or deemed occupied, pursuant to paragraphs (a) and (b) of this Section 5.01, by Very Low Income Residents at rents not exceeding the applicable Affordable Space Rent during such period; (ii) the number of the spaces of the Project which were occupied or deemed occupied, pursuant to paragraphs (c) and (d) of this Section 5.01, by Lower Income Residents at rents not exceeding the applicable Affordable Space Rent during such period; (iii) the number of the spaces of the Project which were occupied or deemed occupied, pursuant to paragraphs (e) and (f) of this Section 5.01, by Moderate Income Residents at rents not exceeding the applicable Affordable Space Rent during such period; and (iv) that either (A) no unremedied default has occurred under this Agreement by the PAC, or (B) a default has occurred, in which event the certificate shall describe the nature of the default in detail and set forth the measures being taken by the PAC or the Owner to remedy such default.

(j) Each lease or rental agreement pertaining to a Very Low Income Space, Lower Income Space or Moderate Income Space shall contain a provision to the effect that the PAC and the Owner have relied on the income certification and supporting information supplied by the Very Low Income Resident, Lower Income Resident or Moderate Income Resident in determining qualification for occupancy of the Very Low Income Space, Lower Income Space or Moderate Income Space, as applicable, that qualifying as a Very Low Income Resident, Lower Income Resident or Moderate Income Resident may adversely affect the price that such resident may sell its mobilehome in the future, and that any material misstatement in such certification (whether or not intentional) will be cause for immediate termination of such lease or rental agreement. Each such lease or rental agreement shall also provide that the resident's income is subject to annual certification in accordance with Section 5.01(h) hereof and to recertification if the number of occupants in the spaces changes for any reason.

(k) The PAC will maintain, or cause the property manager for the Project to maintain, complete and accurate records pertaining to the Very Low Income Spaces, Moderate Income Spaces and Lower Income Spaces, and will with reasonable notice permit any duly authorized representative of the Agency and Financial Security to inspect the books and records of the PAC pertaining to the Project, including those records pertaining to the occupancy of the Very Low Income Spaces, Lower Income Spaces and Moderate Income Spaces.

(l) Notwithstanding any provision in this Agreement to the contrary, the requirements of this Article V (and the Agency's Determination Letter) may be modified from time to time, as deemed necessary by the Agency in its sole discretion, to comply, to the extent necessary to keep the Project or the Agency from violating applicable law, with any changes in federal or State law or regulations, the requirements or determinations of any federal or State agency, or any judgment or order by a court of competent jurisdiction; provided that an opinion of Redevelopment Agency Counsel acceptable to Financial Security (which acceptance shall not be

unreasonably withheld) in form and substance satisfactory to Financial Security that such change is so required by law or else the Project or the Agency will be in violation thereof, and that such change will not affect the tax-exempt status of the interest on the Bonds, is delivered to Financial Security prior to such change taking effect.

(m) Nothing herein shall require that a mobilehome with a mortgage be deemed a restricted unit if other units within the Project without mortgages would qualify for the same income and affordable space rent restrictions.

(n) To the extent the Senior Debt Service Coverage Ratio falls below 1.50x after the occurrence of an Increased Restriction Event, the provisions regarding the increased restrictions for Moderate Income Spaces set forth in clause(f) of this Section shall be suspended to the extent necessary to permit the Senior Debt Service Coverage Ratio to meet or exceed 1.50x. To the extent the Senior Debt Service Coverage Ratio remains below 1.50x after such increased restrictions on the Moderate Income Spaces have been suspended, the provisions regarding the increased restrictions for Lower Income Spaces set forth in clause(d) of this Section 5.01 shall be suspended to the extent necessary to permit the Senior Debt Service Coverage Ratio to meet or exceed 1.50x. To the extent the Senior Debt Service Coverage Ratio remains below 1.50x after such increased restrictions on the Moderate Income Spaces and Lower Income Spaces have been suspended, the provisions regarding the increased restrictions for Very Low Income Spaces set forth in clause(b) of this Section shall be suspended to the extent necessary to permit the Senior Debt Service Coverage Ratio to meet or exceed 1.50x. Once the Senior Debt Service Coverage Ratio meets or exceeds 1.50x, the increased restrictions shall become effective again first, as applicable, to Very Low Income Spaces, then to Lower Income Spaces and then to Moderate Income Spaces to the extent such increased restrictions do not cause the Senior Debt Service Coverage Ratio to fall below 1.50x. Any suspension of the increased restrictions shall automatically result in a corresponding extension of the period of time such restrictions are to otherwise remain in effect under this Agreement.

**Section 5.02. *Sale or Transfer of the Project.*** The Owner and the PAC hereby covenant and agree not to voluntarily (which term shall not be interpreted to include the granting by the Owner or PAC of a deed in lieu of foreclosure for the Senior Bonds) sell, transfer or otherwise dispose of the Project, or any portion thereof (other than for individual resident use as contemplated hereunder), or enter into any agreement to sell, transfer or dispose of the Project, without obtaining the prior written consent of the Agency which consent shall not be unreasonably withheld by the Agency and shall be given by the Agency only if (a) the purchaser or assignees shall certify that the continued operation of the Project shall comply with the provisions of this Agreement; (b) the Agency receives evidence reasonably satisfactory to the Agency that the purchaser or assignee shall be willing and capable of complying with the terms and conditions of this Agreement; (c) the purchaser or assignee shall execute any document reasonably requested by the Agency with respect to the assumption of the PAC's and Owner's obligations under this Agreement, including, without limitation, an instrument of assumption hereof, and shall deliver to the Agency an opinion of counsel for the transferee to the effect that each such document and this Agreement are valid, binding and enforceable obligations of such purchaser or assignee; (d) the Agency shall have received (i) reasonable evidence satisfactory to the Agency that the Owner's purchaser or transferee has assumed in writing and in full, the Owner's and the PAC's duties and obligations under this Agreement and the Loan Agreement, and (ii) an opinion of counsel to the transferee that the transferee has duly assumed the obligations of the Owner and the PAC under this Agreement and that such obligations and this Agreement are binding on the transferee; and (e) such other conditions are met as the Agency may reasonably impose to assure compliance by the Project with the requirements of this Agreement. Except as provided in Section 5.03 hereof, it is hereby expressly stipulated and agreed that any sale, transfer or other disposition of the Project in violation of this Section 5.02 shall be null, void and without effect, shall cause a reversion of title to the Owner, and shall be ineffective to relieve the PAC and the Owner of their obligations under this Agreement. Upon any sale or other transfer which complies with this Agreement, the Owner and the PAC shall be fully released from their obligations hereunder, to the extent such obligations have been assumed by the transferee of the Project, without the necessity of further documentation; provided that the Agency shall remain obligated to perform its agree-

ments contained herein as if such transfer or sale had not occurred. Any transfer of the Project to any entity, whether or not affiliated with the Owner or the PAC, shall be subject to the provisions of this Section 5.02.

**Section 5.03. *Termination of Article V.*** The terms of this Agreement to the contrary notwithstanding, the requirements set forth herein under this Article V shall terminate and be of no further force and effect in the event of involuntarily noncompliance with the provisions of this Agreement caused by fire, seizure, requisition, foreclosure or transfer of title by deed in lieu of foreclosure, change in a federal law or an action of a federal agency after the Closing Date which prevents the Agency from enforcing the provisions hereof, or condemnation or a similar event, but only if, within a reasonable period thereafter, the Bonds are retired in full; provided, however, that if the Agency is presented with sufficient evidence to its reasonable satisfaction that after reasonable efforts by the foreclosing party to do so, the Project cannot be sold to a bona fide purchaser for an amount sufficient to pay the Senior Bonds in full, related fees and expenses and all amounts due and payable to Financial Security under the Indenture or the Insurance Agreement because of the imposition of the Increased Restrictions under Sections 5.01(b), (d) and (f) after an Increased Restriction Event, the Increased Restrictions under Section 5.01(b), (d) and (f) will terminate (but not the restrictions applicable under Sections 5.01(a), (c) and (e) which shall remain in effect for the Project Period) if the purchaser of the Project agrees in writing to the reasonable satisfaction of the Agency (not to be unreasonably withheld) that: (i) the restrictions under Section 5.01(a), (c) and (e) will remain in effect and be enforced in compliance with this Agreement; and (ii) the provisions of Section 3.04 hereof, providing for repayment of the obligations of the Agency, will remain in effect according to their terms. The Agency has made the findings required by law to subordinate its rights under this Agreement to the Bonds, including, without limitation, the maintenance of the Required Coverage Amount during an Increased Restriction Event.

Upon the termination of the terms of this Agreement, the parties hereto agree to execute, deliver and record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be necessary or a prerequisite to the termination of this Agreement in accordance with its terms.

**Section 5.04. *Covenants To Run With the Land.*** The Owner hereby subjects the Project to the covenants, reservations and restrictions set forth in this Agreement. The Owner, the Agency and the PAC hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Owner's successors in title to the Project; provided, however, that on the termination of this Agreement said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments.

No breach of any of the provisions of this Agreement shall impair, defeat or render invalid the lien of any mortgage, deed of trust or like encumbrance securing the Bonds.

**Section 5.05. *Burden and Benefit.*** The Owner, the Agency and the PAC hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the land in that the Owner's legal interest in the Project is rendered less valuable thereby. The Owner, the Agency and the PAC hereby further declare their understanding and intent that the benefit of such covenants touch and concern the land by enhancing and increasing the enjoyment and use of the Project by Very Low Income Residents, Lower Income Residents and Moderate Income Residents, the intended beneficiaries of such covenants, reservations and restrictions, and by furthering the public purposes for which the Subordinate Bonds were issued and this Agreement entered into by the parties hereto. Subject to Section 6.02 hereof, notwithstanding the foregoing or any other provision of this Agreement, no person, other than the parties hereto, shall have any rights of enforce-

ment of this Agreement.

Section 5.06. **Recording and Filing.** The PAC shall cause this Agreement, and all amendments and supplements hereto and thereto, to be recorded and filed in the real property records of the County of Marin and in such other places as the Agency may reasonably request. The PAC shall pay all fees and charges incurred in connection with any such recording. This Agreement shall be recorded in the grantor/grantee index to the name of the Owner as grantor and the Agency as Grantee.

## ARTICLE VI

### MISCELLANEOUS

Section 6.01. **Successor Is Deemed Included in All References to Predecessor.** Whenever in this Agreement the Agency, CLGFA, the PAC, the Owner and the Trustee are named or referred to, such reference shall be deemed to include the successors or assigns thereof. Except as otherwise provided in Section 5.03, all the covenants and agreements in this Agreement contained by or on behalf of the Agency, CLGFA, the PAC or the Owner shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not. Other than the Owner's assignment to the Trustee under the Indenture, there shall be no assignment of this Agreement without the prior written consent of 100% of the registered owners of the Subordinate Bonds.

Section 6.02. **Amendments.** The Owner, the PAC and the Agency may, with the prior written consent of Financial Security (only with respect to the amendment of Article V and Sections 3.04, 3.05, 6.02 and 6.06, and any amendment to the definitions contained in Article I hereof to the extent such definitions are used in Article V or Sections 3.04, 3.05, 6.02 or 6.06 herein), alter, modify or cancel, or agree or consent to alter, modify or cancel this Agreement by a writing executed by all of them at any time without giving notice to and receiving the prior written consent of the owners of the Subordinate Bonds if such amendment does not materially adversely affect the interests of the owners of the Subordinate Bonds. All other amendments, changes or modifications to this Agreement shall require the prior written consent of 100% of the registered owners of the Subordinate Bonds. The provisions of this Section 6.02 shall not apply to modifications to the requirements of Article V made by the Agency in accordance with the provisions of Section 5.01(l).

Section 6.03. **Notices.** All notices, certificates or other communications hereunder shall be in writing and shall be mailed, personally delivered or telecopied, and shall be sufficiently given and shall be deemed to have been received upon receipt.

If to the Owner:

Novato Financing Authority  
c/o Redevelopment Agency of the City of Novato  
900 Sherman Avenue  
Novato, CA 94945  
Telephone: (415) 897-4301  
FAX: (415) 897-4354  
Attention: Deputy Director of Redevelopment

If to the Agency:

Redevelopment Agency of the City of Novato  
900 Sherman Avenue  
Novato, CA 94945  
Telephone: (415) 897-4301  
FAX: (415) 897-4354  
Attention: Deputy Director of Redevelopment

To CLGFA: California Local Government Finance Authority  
c/o Regional Council of Rural Counties  
1020 12th Street  
Suite 400  
Sacramento, CA 95814  
Telephone: (916) 447-4806  
FAX: (916) 448-3154  
Attention: Executive Director

If to the PAC: Park Acquisition Corporation of Marin  
Valley Mobile Country Club  
100 Marin Valley Drive  
Novato, CA 94949-6716  
Telephone: (415) 883-5911  
Attention: President

If to the Trustee: First Trust of California, National Association  
Suite 400  
One California Street  
San Francisco, CA 94111  
Telephone: (415) 273-4555  
FAX: (415) 273-4590  
Attention: Corporate Trust Department

If to Financial Security: Financial Security Assurance Inc.  
350 Park Avenue  
New York, NY 10022  
Attention: Surveillance Department  
Telephone: (212) 826-0100  
FAX: (212) 339-3518 or (212) 339-3529

The Agency, the Owner, CLGFA, the PAC, Financial Security or the Trustee, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 6.04. **Conduit Facilitator.** All parties hereto recognize and agree that CLGFA is acting in the transactions contemplated herein solely in a conduit facilitating role to assist the substantive parties in achieving their goals; CLGFA is not a substantive party to such transaction; and CLGFA's agreements and obligations hereunder are solely for the purpose of passing through funds and substantive agreements and obligations of such substantive parties.

Section 6.05. **Limited Obligation.** Under no circumstances shall the City of Novato, or its officers, agents, employees or representatives, or the officers, agents, employees or representatives of the Owner or the Agency, be liable under this Agreement.

Section 6.06. **Third Party Beneficiary.** The Trustee, CLGFA and the registered owners of the Subordinate Bonds shall be third-party beneficiaries of this Agreement, entitled to enforce the terms hereof as if a party hereto. Financial Security shall be a third-party beneficiary of Article V and Sections 3.04, 3.05, 6.02 and 6.06 hereof, entitled to enforce the terms of such sections as if a party hereto.

Section 6.07. **Execution in Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 6.08. **Applicable Law.** This Agreement shall be governed by and construed. in accordance with the laws of the State of California.

Section 6.09. **Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope of intent of any provisions of Sections of this Agreement.

[TESTIMONIAL AND SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Agency, the PAC and the Owner have caused this Agreement to be executed by their duly authorized respective officers, all as of the date first above written.

NOVATO THE REDEVELOPMENT AGENCY OF THE CITY OF

By \_\_\_\_\_  
Name Patricia Eklund  
Title Chair

Attest:

By \_\_\_\_\_  
Name Shirley Gremmels  
Title Secretary

NOVATO FINANCING AUTHORITY

By \_\_\_\_\_  
Name Patricia Eklund  
Title Chair

Attest:

By \_\_\_\_\_  
Name Sonia Seeman  
Title Secretary

MOBILE COUNTRY CLUB PARK ACQUISITION CORPORATION OF MARIN VALLEY

By \_\_\_\_\_  
Name Owen V. Haxton  
Title President

Attest:

By \_\_\_\_\_  
Name Burton L. Vreeland  
Title Secretary

**CALIFORNIA ALLPURPOSE NOTARY ACKNOWLEDGMENT**

State of California  
County of \_\_\_\_\_

On this day of \_\_\_\_\_, 199, before me,  
\_\_\_\_\_

Name, Title of Officer

personally appeared \_\_\_\_\_,

Name(s) of Signer(s)

“ personally known to me **OR** ” 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.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary

**\*\*\* OPTIONAL SECTION \*\*\*  
CAPACITY CLAIMED BY SIGNER**

Though statute does not require the Notary to fill in the date below, doing so may prove invaluable to persons relying on the document.

“INDIVIDUAL  
“CORPORATE OFFICER(S)

“PARTNER(S)” LIMITED  
“GENERAL  
“ATTORNEY IN FACT  
“TRUSTEE(S)  
“GUARDIAN/CONSERVATOR  
“OTHER: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SIGNER IS REPRESENTING:**

Name of Person(s) or Entity(ies)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\*\*\*\*\* **OPTIONAL SECTION** \*\*\*\*\*

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED BELOW:

TITLE OR TYPE OF DOCUMENT \_\_\_\_\_  
NUMBER OF PAGES \_\_\_\_\_ DATE OF DOCUMENT \_\_\_\_\_  
SIGNER(S) OTHER THAN NAMED ABOVE \_\_\_\_\_

Though the data requested here is not required by law, it could prevent fraudulent reattachment of this form.

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State of California  
County of

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\_\_\_\_\_

Name, Title of Officer

personally appeared \_\_\_\_\_

Name(s) of Signer(s)

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- ..PARTNER(S)..LIMITED
- ..GENERAL
- ..ATTORNEYINFACT
- ..TRUSTEE(S)
- ..GUARDIAN/CONSERVATOR
- ..OTHER: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**SIGNER IS REPRESENTING:**

Name of Person(s) or Entity(ies)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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County of

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\_\_\_\_\_

Name, Title of Officer

personally appeared \_\_\_\_\_,

Name(s) of Signer(s)

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  - “GENERAL
  - “ATTORNEYINFACT
  - “TRUSTEE(S)
  - “GUARDIAN/CONSERVATOR
  - “OTHER: \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

**SIGNER IS REPRESENTING:**

Name of Person(s) or Entity(ies)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

\*\*\*\*\* **OPTIONAL SECTION** \*\*\*\*\*

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State of California  
County of

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\_\_\_\_\_

Name, Title of Officer

personally appeared \_\_\_\_\_

Name(s) of Signer(s)

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CORPORATE OFFICER(S)  
PARTNER(S) LIMITED  
GENERAL  
ATTORNEY IN FACT  
TRUSTEE(S)  
GUARDIAN/CONSERVATOR  
OTHER: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SIGNER IS REPRESENTING:**

Name of Person(s) or Entity(ies)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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**EXHIBIT A**

**PROJECT**

**EXHIBIT B**

**CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE**

FOR THE QUARTER ENDING \_\_\_\_\_

\$ \_\_\_\_\_

Subordinate Revenue Bonds, Series 1997B  
(Marin Valley Mobile Country Club Park Acquisition Project)  
Issued for the Benefit of the

Novato Financing Authority  
Facilitated by the  
California Local Government Finance Authority

The undersigned, being a authorized representative of the Park Acquisition Corporation of Marin Valley Mobile Country Club (the "PAC"), has read and is thoroughly familiar with the provisions of the various loan documents associated with the PAC's participation in the acquisition of the Marin Valley Mobile Country Club Park (the "Project"), including, without limitation, the Housing Assistance Pledge Agreement and Declaration of Restrictive Covenants, dated as of March 1, 1997, among the PAC, the Owner and the Redevelopment Agency of the City of Novato (the "Agency").

As of the date of this certificate at least \_\_\_\_\_ spaces in the Project are occupied by Low Income Residents (as such term is defined in the Agreement), at least \_\_\_\_\_ spaces in the Project are occupied by Lower Income Residents (as such term is defined in the Agreement) and at least \_\_\_\_\_ spaces are occupied by Moderate Income Tenants (as such term is defined in the Agreement).

Attached is a separate sheet (the "Occupancy Summary") listing, among other items, the following information for each space being occupied by Low Income Residents, Lower Income Residents or Moderate Income Residents in the Project: the number of each space, the occupants of each space and the size, in square feet, of each space. The information contained thereon is true and accurate.

The undersigned hereby certifies that (1) a review of the activities of the PAC during such quarter and of the PAC's performance under the Loan Agreement has been made under the supervision of the undersigned; and (2) to the best of the knowledge of the undersigned, based on the review described in clause (1) hereof, the PAC is not in default under any of the terms and provisions of the above documents [or describe the nature of any default in detail and set forth the measures being taken to remedy such default].

PARK ACQUISITION CORPORATION OF MARIN VALLEY  
MOBILE COUNTRY CLUB

By \_\_\_\_\_  
Authorized Representative

**EXHIBIT C**

**INCOME COMPUTATION AND CERTIFICATION**

- 1). Space # \_\_\_\_\_
- 2). List names of all household members: Resident:

\_\_\_\_\_

\_\_\_\_\_

- 3). **Assets:**
  - a. Net Family Assets (Note: If Line 3A does not exceed \$ \_\_\_\_\_  
\$5000, enter zero on line 3b)
  - b. Imputed Income from Assets (Bank Passbook Savings) \$ \_\_\_\_\_  
Rate(. )xLine 3a)
  - c. Actual Annual Income from As-

sets \$ \_\_\_\_\_

4). **Income:**

- a. Wages, Salaries, etc. \$ \_\_\_\_\_
- b. Social Security, Pension, etc. \$ \_\_\_\_\_
- c. Public Assistance \$ \_\_\_\_\_
- d. Income Contributed by Assets (Greater of Line 3b or 3c) \$ \_\_\_\_\_
- e. Other Income \$ \_\_\_\_\_
- f. **TOTAL Annual Income (Line 4a thru 4e)** \$ \_\_\_\_\_
- g. **MAXIMUM ANNUAL INCOME LEVEL** \$ \_\_\_\_\_

5). **CERTIFICATION BY RESIDENT**

This form is used to certify resident income and assurance compliance with State Low and Moderate Income eligibility requirements. I/We certify that the information in Parts 1 through 4 is true and correct to the best of my knowledge and belief. False statements or omissions are grounds for termination of tenancy.

---

(Resident Signature) (Date) (Social Security Number)

---

(Resident Signature) (Date) (Social Security Number)

**EXHIBIT C cont.  
REQUEST FOR VERIFICATION OF INCOME**

**VERIFICATION OF INCOME - LOW/MODERATE INCOME PROGRAM**

Date: \_\_\_\_\_

To:

---

(Source of Income) (Phone #) (Fax #)

---

(Address)

MARIN VALLEY MOBILE COUNTRY CLUB PARK is requesting current information regarding all income (pensions, checking, savings and all other accounts, Social Security, SSI, wages, salaries, all assets and any income from those assets from the account(s) listed below belonging to:

\_\_\_\_\_ whose address is  
\_\_\_\_\_

This information is needed to qualify our resident(s) for our Low/Moderate Income Program. **This information must be current and returned to us as soon as possible to continue on the low/moderate income program.**

**DO NOT FILL IN MONEY AMOUNTS - THIRD PARTY SOURCE MUST DO THAT**

\_\_\_\_\_  
\_\_\_\_\_  
**(Social Security Number)** (S.S. amount/month) (Medical) (TOTAL)

\_\_\_\_\_  
**(Origin of PENSION or ANNUITY)** (Rate/Month)

\_\_\_\_\_  
**(Account #)** (Balance in Account) (Interest Rate) (Interest Paid)

\_\_\_\_\_  
**(Account #)** (Balance in Account) (Interest Rate) (Interest Paid)

**Employment Information:** Date of Hire: \_\_\_\_\_ Occupa-  
tion: \_\_\_\_\_

**Wage/Salary:** Base Rate Pay-  
Per Hour \_\_\_\_\_; Or Per Week \_\_\_\_\_; Or Per Month \_\_\_\_\_

Date present rate effective \_\_\_\_\_ Average hours: \_\_\_\_\_ week/month/year.

Overtime pay per hour: \_\_\_\_\_ Overtime hours expected in next 12 months \_\_\_\_\_

Please describe any tips, bonuses, commissions etc: \_\_\_\_\_ Vacation Pay: \_\_\_\_\_

**I/We give my/our permission for \_\_\_\_\_, to receive any and all information regarding my income from the above numbered accounts(s).**

\_\_\_\_\_  
**(Signature)** (SS#) (Date)

\_\_\_\_\_  
**(Signature)** (SS#) (Date)

Please return all needed verification of income to us as soon as possible. Our **Fax number is** \_\_\_\_\_ or mail to \_\_\_\_\_. Thank You.

**SIGNATURE/STAMP OF THIRD PARTY**

**Please return form to:**

**EXHIBIT C cont.  
MILITARY PAY VERIFICATION  
[TO BE USED IF GENERAL VERIFICATION INADEQUATE]**

TO: (Name & address of employer)  
\_\_\_\_\_

Date:

RE: \_\_\_\_\_

SS#: \_\_\_\_\_

The person listed has indicated that he or she is employed by the military. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy.  
Sincerely,

\_\_\_\_\_  
Project Manager

I hereby authorize the above named management agent to make inquiries regarding my employment for the purpose of determining my eligibility for occupancy.

Signed: \_\_\_\_\_  
Date: \_\_\_\_\_

Gross Earnings anticipated over next 12 months:

Monthly Base Pay \_\_\_\_\_  
Level \_\_\_\_\_

Grade

BAQ \_\_\_\_\_  
\_\_\_\_\_ FEDRATE \_\_\_\_\_

Probability of Continued Enlistment:

Commuted Rations \_\_\_\_\_

Clothing Allowance \_\_\_\_\_

Other Special Pay \_\_\_\_\_

Hazardous Duty Pay \_\_\_\_\_

Total Monthly Entitlement \_\_\_\_\_ Total Annual Entitlement \_\_\_\_\_

Authorized Official Name and Title: \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

Military Agency \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

City \_\_\_\_\_

State

Zip \_\_\_\_\_

**Please return form to:**

**EXHIBIT C cont.  
SOCIAL SECURITY VERIFICATION  
[TO BE USED IF GENERAL VERIFICATION INADEQUATE]**

CLAIMANT NAME \_\_\_\_\_

DATE OF BIRTH \_\_\_\_\_

SOCIAL SECURITY # \_\_\_\_\_

S.S.

CLAIM # \_\_\_\_\_

ADDRESS \_\_\_\_\_

I do hereby authorize the Social Security Administration to furnish to the (Project Name)

\_\_\_\_\_ information regarding the amount of the monthly payment made to me.

Signature

\_\_\_\_\_

Date

Indicate information needed by checking spaces below:

The gross amount of the monthly social security benefit is \$ \_\_\_\_\_

The amount deducted for Medicare is \$ \_\_\_\_\_

The net amount of the social security check each month is \$ \_\_\_\_\_

The above amount became effective \_\_\_\_\_ Month  
Year

The monthly payment of the supplemental security income payment is \$ \_\_\_\_\_

The above amount became effective \_\_\_\_\_ Month  
Year

---

Other information needed please specify on reverse side.

Complete Only If You are unable to verify information requested:

- Claim Still Pending
- No record based on identifying information
- Other see reverse side of form

---

SIGNATURE AND TITLE OF AUTHORIZED SOCIAL SECURITY OFFICIAL

DATE \_\_\_\_\_  
NUMBER \_\_\_\_\_

PHONE

PLEASE RETURN TO:

**EXHIBIT C cont.**  
**VERIFICATION OF SOCIAL SERVICES**  
**[TO BE USED IF GENERAL VERIFICATION INADEQUATE]**

CLIENT: \_\_\_\_\_  
DATE: \_\_\_\_\_

ADDRESS:  
\_\_\_\_\_  
\_\_\_\_\_

---

TO WHOM IT MAY CONCERN:

The client listed above has indicated that he or she is receiving income from your agency. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy.

Sincerely,

---

Project Manager

I hereby authorize the above named management agent to make inquiries regarding my income for the purpose of determining my eligibility for occupancy.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Detailed Budget Statement Provided

---

Monthly payment from this Agency:

AFDC \_\_\_\_\_

GA

Child Support Pass Through

---

Other

---

Other known in-  
come \_\_\_\_\_

Payments over the last 6 months

---

Remarks

Please indicate any anticipated changes in:

(1) The monthly payment:

\_\_\_\_\_

(2) The family status of the Applicant:

\_\_\_\_\_

Signature of Social Worker \_\_\_\_\_

---

Title

---

Date \_\_\_\_\_

Phone \_\_\_\_\_

PLEASE RETURN TO:

**EXHIBIT C cont.**  
**CHILD SUPPORT AND/OR ALIMONY AUTHORIZATION**  
**(Completed by Clerk of Court)**  
**[TO BE USED IF GENERAL VERIFICATION INADEQUATE]**

TO

\_\_\_\_\_ Date: \_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

RE

\_\_\_\_\_

The person listed above has indicated that he or she is receiving court ordered support. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy.

Sincerely,

\_\_\_\_\_  
Project Manager

I hereby authorize the above named management agent to make inquiries regarding my child support/alimony for the purpose of determining my eligibility for occupancy.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

This will certify that the above name person receives \$ per in child support and \$ per in alimony (A copy of the account ledger may be substituted.)

Signature of Clerk of Court Official

\_\_\_\_\_

Date

\_\_\_\_\_

---

PLEASE RETURN FORM TO:

**EXHIBIT C cont.**  
**CHILD SUPPORT AND/OR ALIMONY VERIFICATION**  
**(Completed by Spouse)**

TO

---

Date: \_\_\_\_

---

---

RE

---

The person listed above has indicated that he or she is receiving court ordered support from you. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy.

Sincerely,

---

Project Man-  
ager

I hereby authorize the above named management agent to make inquiries regarding my child support/alimony for the purpose of determining my eligibility for occupancy.

Signed:

---

Date: \_\_\_\_\_

---

This will certify that I pay \$ per in child support to:

Name: \_\_\_\_\_  
for the support of .

This will certify that I pay \$ per in alimony to:

(Name) \_\_\_\_\_

Signature of Former Spouse \_\_\_\_\_

Date \_\_\_\_\_

PLEASE RETURN FORM TO:

**EXHIBIT C cont.  
PENSION OR WORKER'S COMPENSATION VERIFICATION  
[TO BE USED IF GENERAL VERIFICATION INADEQUATE]**

DATE \_\_\_\_

RE:

Client or Employee

TO WHOM IT MAY CONCERN:

The client listed above has indicated that he or she is receiving a payment from you. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy.

Sincerely,

Project Management Agent

You are hereby authorized to furnish all information requested on this inquiry.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Weekly \_\_\_\_\_ Monthly \_\_\_\_\_ Payments to Employee

\$ \_\_\_\_\_

Weeks or amount still to be paid \_\_\_\_\_

Effective Date \_\_\_\_\_

Ending Date if

known \_\_\_\_\_

Retirement Pension Number  
\_\_\_\_\_

Current Gross Monthly Retirement Income \$ \_\_\_\_\_

Total Gross Pension Income expected for the next 12 months \$ \_\_\_\_\_

Remarks: (Please indicate any anticipated changes.)  
\_\_\_\_\_  
\_\_\_\_\_

By \_\_\_\_\_

Date \_\_\_\_\_

Title \_\_\_\_\_

Phone \_\_\_\_\_

PLEASE RETURN FORM TO:

**EXHIBIT C cont.**  
**VERIFICATION OF UNEMPLOYMENT BENEFITS**  
**[TO BE USED IF GENERAL VERIFICATION INADEQUATE]**

RE: CLIENT: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CLAIM NO. \_\_\_\_\_

The above individual has indicated he/she is receiving benefits from your agency. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy.

BY \_\_\_\_\_

TITLE \_\_\_\_\_

---

I hereby authorize the above named management agent to make inquiries regarding my household income for the purpose of determining my eligibility for occupancy.

Signed: \_\_\_\_\_  
Date: \_\_\_\_\_

---

Weekly payments to client \_\_\_\_\_

Beginning date of payments \_\_\_\_\_ Ending date if  
know \_\_\_\_\_

Is this client entitled to an extension of benefits? If yes, for how long?  
\_\_\_\_\_

Remarks:  
\_\_\_\_\_  
\_\_\_\_\_

By \_\_\_\_\_

Date \_\_\_\_\_

Title \_\_\_\_\_  
Phone \_\_\_\_\_

---

PLEASE RETURN FORM TO:

**EXHIBIT C cont.**  
**UNEMPLOYED APPLICATION AFFIDAVIT**

This Affidavit is to be signed by all individuals 18 years of age and over when no income for them is indicated on the accompanying income certification.

Check as applicable:

I am not presently employed, but I anticipate becoming employed within the next twelve months.

Based on my past work experience, skills and income history as reflected in my income tax return for the most recent tax year (copy attached) and with adjustments to reflect circumstances anticipated within the next twelve months, I expect to earn \$ per year when I become employed.

I am not presently employed and do not anticipate becoming employed within the next twelve months.

---

dent

Applicant/Resi-