

## EXHIBIT A SCOPE OF WORK

1. **Authority:** Pursuant to chapter 6.7 of part 2 of division 31 of the Health and Safety Code, commencing with section 50675, all as amended and in effect from time to time, the state has established the Multifamily Housing Program (the "Program"). This Agreement is entered into under the authority of, and in furtherance of the purposes of, the Program. Pursuant to Health and Safety Code section 50675.11, the state has issued Guidelines governing the Program (as amended from time to time, the "Guidelines").
  
2. **Purpose:** In accordance with the authority cited above, application was made to the state for financial assistance from the Program (the "Loan") for the purpose of assisting in the development of a rental housing development (the "Development") on certain real property (the "Property") as described in that Conditional Commitment letter issued by the state (the "Conditional Commitment Letter") attached hereto as Exhibit C and incorporated herein and made a part hereof. If the Conditional Commitment Letter was issued to an entity other than the Contractor, by its execution of this Agreement, the state consents to the transfer of the Conditional Commitment Letter to Contractor; and Contractor, by its execution of this Agreement, accepts the Conditional Commitment Letter. The purpose of the Loan is to ensure that the Development shall be constructed, owned, managed, maintained and operated in accordance with the requirements of the Program, the Guidelines, and the Conditional Commitment Letter and to ensure that certain residential units therein shall be occupied by Eligible Households at affordable rents as defined in the Guidelines for the full term of the Loan, regardless of sale or transfer of the Property or prepayment of the Loan. To further effect this purpose, if Contractor is an entity other than the sponsor identified in the Conditional Commitment Letter, the state may require the sponsor to enter into a Sponsor Operating Guaranty as a condition of closing the Loan.

To effect this conditional commitment of Program loan funds, the state and the Contractor have agreed to enter into this Agreement in accordance with the terms and conditions herein, subject to all the provisions of the Guidelines and the Conditional Commitment Letter, and further subject to the applicable state laws and requirements governing state contracts.

3. **Work to be Performed:** Contractor shall take such actions, pay such expenses and do all things necessary to complete the Development described in the Conditional Commitment Letter in accordance with the schedule for completion set forth therein and within the terms and conditions of this Agreement. Pursuant to Health and Safety Code section 50675.4, Contractor shall ensure compliance with prevailing wage requirements in all work of construction or rehabilitation funded in whole, in part, or as a result of the commitment of this Loan.
  
4. **State Coordinator:** The coordinator of this Agreement for the state is the Program Manager for the Multifamily Housing Program, Division of Community Affairs. Any notice, report, or other communication required by this Agreement shall be mailed by first class mail to the State Coordinator at the following address:

Department of Housing and Community Development  
Division of Community Affairs  
P.O. Box 952054  
Sacramento, California 94252-2054  
Attention: MHP Program Manager

5. **Term:** The effective date of this Agreement is the date upon which it is executed by the state after execution by the Contractor. This Agreement shall terminate three years after the completion of the construction work as evidenced by a certificate of occupancy, issuance of a notice of completion, or final inspection of the work by local officials, whichever occurs first, unless terminated earlier pursuant to the terms of the Conditional Commitment Letter, but in no event greater than six years after its effective date.
6. **Relocation:** The Contractor shall comply with all requirements of applicable California relocation law (Gov. Code, § 7260 et seq. and the regulations promulgated thereunder at Cal. Code Regs., tit. 25, § 6000 et seq.). Any relocation plan for the Development shall be subject to the review and approval by the state.
7. **Special Conditions:** The Department reserves the right to add any special conditions to this Agreement it deems necessary to assure that the policy and goals of the Program are achieved.
8. **Invoicing and Payment:** The approved loan amount shall be released through escrow upon Contractor's submittal of the Request for Funds form and the satisfaction of the terms of the Conditional Commitment letter. The state reserves the right to retain ten percent (10%) of the approved loan proceeds pending receipt and acceptance of the cost audit and any remaining loan closing checklist items.