

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Issuer ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") except that no opinion is expressed as to the status of interest on any Bond for any period that such Bond is held by a "substantial user" of the facilities financed or refinanced by the Bonds or by a "related person" within the meaning of Section 147(a) of the Code. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that interest on the Bonds is exempt from State of California personal income taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. See "TAX MATTERS."

\$46,500,000*

**CALIFORNIA HOUSING FINANCE AGENCY
LIMITED OBLIGATION MULTIFAMILY HOUSING REVENUE BONDS
(LAKESHORE VILLA APARTMENTS)
2026 ISSUE KK**

Delivery Date: October __, 2026**Maturity: As shown on the inside cover**

The California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Bonds (Lakeshore Villa Apartments) 2026 Issue KK (the "Bonds") are being delivered in fully registered form only and are registered in the name of Cede & Co., as nominee of The Depository Trust Company, Brooklyn, New York ("DTC"). Ownership interests with respect to the Bonds may be purchased only in book-entry form in denominations of \$5,000 or any integral multiple thereof. So long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, references herein to the Bondholders shall mean Cede & Co. and shall not mean the ultimate purchasers of the Bonds. See "THE BONDS – Book-Entry Only System." The Bonds shall bear interest at the rate, set forth on the inside front cover page hereof and as described herein. Interest on the Bonds will be payable semiannually on each May 1 and November 1, commencing May 1, 2027* (the "Interest Payment Date"). So long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, payments of the principal of, premium, if any, and interest on, the Bonds will be made directly to DTC or its nominee, Cede & Co., by U.S. Bank Trust Company, National Association, a national banking association (the "Trustee"). Disbursements of such payments to DTC's Participants are the responsibility of DTC.

The Bond Mortgage Loan (as defined below) will be made pursuant to a Financing Agreement dated as of October 1, 2026 (the "Financing Agreement"), by and among California Housing Finance Agency (the "Issuer"), the Trustee and Lakeshore Villa Apartments LP, a California limited partnership (the "Borrower"), and upon the satisfaction of various conditions contained therein and in the Indenture as defined below.

The Bonds and the interest thereon are secured as set forth in the Trust Indenture dated as of October 1, 2026 (the "Indenture"), between the Issuer and the Trustee, including, without limitation, by the Issuer's interest in payments received under the Bond Mortgage Note (the "Bond Mortgage Note"), which evidences the Bond Mortgage Loan. Payments of principal of and interest on the Bond Mortgage Loan will be secured by the direct-pay Credit Enhancement Agreement, dated as of October 1, 2026 (the "Credit Enhancement Agreement" or the "Credit Facility"), between the Trustee and the Federal Home Loan Mortgage Corporation, which is a shareholder-owned government-sponsored enterprise organized and existing under the law as of the United States of America ("Freddie Mac" or the "Credit Facility Provider"). The Credit Enhancement Agreement will terminate on November 6, 2042* (or earlier as provided therein). See "APPENDIX G — FORM OF CREDIT FACILITY — CREDIT ENHANCEMENT AGREEMENT" herein. Freddie Mac's obligations to make advances to the Trustee upon the proper presentation of documents, which conform to the terms and conditions of the Credit Enhancement Agreement, are irrevocable.

FREDDIE MAC

FREDDIE MAC'S OBLIGATIONS WITH RESPECT TO THE BONDS ARE SOLELY AS PROVIDED IN THE CREDIT ENHANCEMENT AGREEMENT. THE OBLIGATIONS OF FREDDIE MAC UNDER THE CREDIT ENHANCEMENT AGREEMENT WILL BE OBLIGATIONS SOLELY OF FREDDIE MAC, A SHAREHOLDER-OWNED, GOVERNMENT-SPONSORED ENTERPRISE ORGANIZED UNDER THE LAWS OF THE UNITED STATES OF AMERICA. FREDDIE MAC HAS NO OBLIGATION TO PURCHASE, DIRECTLY OR INDIRECTLY, ANY OF THE BONDS, BUT WILL BE OBLIGATED, PURSUANT TO THE CREDIT ENHANCEMENT AGREEMENT, TO PROVIDE FUNDS TO THE TRUSTEE TO PAY THE PURCHASE PRICE OF THE BONDS UNDER THE CIRCUMSTANCES DESCRIBED THEREIN. THE BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA, ANY AGENCY THEREOF, OR OF FREDDIE MAC, AND ARE NOT GUARANTEED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA OR BY FREDDIE MAC.

The Bonds will be subject to redemption prior to their stated maturity dates at the prices, on the terms and upon the occurrence of the events described herein. The maturity of the Bonds may be accelerated upon the occurrence of certain events as further described herein. See "THE BONDS" and "APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Acceleration; Other Remedies Upon Event of Default".

THE BONDS AND THE INTEREST THEREON ARE LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED THEREFOR UNDER THE INDENTURE. NEITHER THE ISSUER, ANY OF ITS MEMBERS, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF (EXCEPT THE ISSUER, TO THE LIMITED EXTENT SET FORTH IN THE INDENTURE) SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THE BONDS OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER EXCEPT AS SET FORTH IN THE INDENTURE, AND NONE OF THE BONDS OR ANY OF THE ISSUER'S AGREEMENTS OR OBLIGATIONS SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE FOREGOING, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE ISSUER HAS NO TAXING POWER.

NO OFFICER, AGENT, EMPLOYEE OR ATTORNEY OF THE ISSUER, INCLUDING ANY PERSON EXECUTING THE INDENTURE OR THE BONDS, SHALL BE LIABLE PERSONALLY ON THE BONDS OR FOR ANY REASON RELATING TO THE ISSUANCE OF THE BONDS. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR THE INTEREST ON THE BONDS, OR FOR ANY CLAIM BASED ON THE BONDS, OR OTHERWISE IN RESPECT OF THE BONDS, OR BASED ON OR IN RESPECT OF THE INDENTURE, AGAINST ANY OFFICER, EMPLOYEE OR AGENT, AS SUCH, OF THE ISSUER OR ANY SUCCESSOR, WHETHER BY VIRTUE OF ANY CONSTITUTION, STATUTE OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY OR OTHERWISE, ALL SUCH LIABILITY BEING, AND AS PART OF THE CONSIDERATION FOR THE ISSUANCE OF THE BONDS, EXPRESSLY WAIVED AND RELEASED.

This cover page of this Official Statement contains certain information for quick reference only. It is not a complete summary of the Bonds. Investors should read this entire Official Statement to obtain information essential to the making of an informed investment decision.

The delivery of the Bonds is subject to the approval of certain legal matters by Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Credit Facility Provider by its legal department and by its special counsel, Barnes & Thornburg LLP, Washington, D.C., for the Borrower by its counsels, Cohen Liuzzo PLLC, New York, New York, and Bocarsly Emden Cowan Esmail & Arndt LLP, Los Angeles, California, and for the Underwriter by its counsel, Tiber Hudson LLC, Washington, D.C. It is expected that the Bonds will be available in book-entry form through the facilities of DTC in Brooklyn, New York on or about October __, 2026.

STIFEL

Date: October __, 2026

* Preliminary, subject to change.

MATURITIES, AMOUNTS, INTEREST RATES AND PRICES

\$46,500,000*

**California Housing Finance Agency
Limited Obligation Multifamily Housing Revenue Bonds
(Lakeshore Villa Apartments)
2026 Issue KK**

Maturity Date*	Principal Amount(s)*	Interest Rate(s)	Price	CUSIP
November 1, 2042	\$46,500,000	_____%	100.00%	_____

* Preliminary, subject to change.

USE OF INFORMATION IN THIS OFFICIAL STATEMENT

No broker, dealer, salesperson or other Person has been authorized by the Issuer to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement and, if given or made, such information or representations must not be relied upon as having been authorized by the Issuer. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor will there be any sale of the Bonds by any Person in any jurisdiction in which it is unlawful for such Person to make such offer, solicitation or sale. The Issuer has not and does not assume any responsibility as to the accuracy or completeness of the information in this Official Statement, other than the information concerning the Issuer under the caption "THE ISSUER" and "ABSENCE OF LITIGATION – The Issuer." The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder will, under any circumstances, create any implication that there has been no change in the information or opinions set forth herein since the date hereof.

The information set forth herein relating to the Project and the Borrower has been obtained from the Borrower, and all other information herein has been obtained by other sources believed to be reliable, but is not to be construed as a representation by the Borrower. The information herein is subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Borrower or the Issuer since the date hereof.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Freddie Mac has not provided or approved any information in this Official Statement except with respect to the descriptions under the caption "FREDDIE MAC" and takes no responsibility for any information contained in this Official Statement. Freddie Mac makes no representation as to the contents of this Official Statement, the suitability of the Bonds for any investor, the feasibility or performance of the Project, or compliance with any securities, tax or other laws or regulations. Freddie Mac's role will be limited to entering into the Credit Facility described herein.

Upon issuance, the Bonds will not be registered under the Securities Act of 1933, as amended, or listed on any stock or other securities exchange and neither the Bond Resolution (as defined herein) nor the Indenture (as defined herein) will have been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon exemptions contained in such Acts. The exemption from registration or qualification of the Bonds in accordance with applicable provisions of the securities laws of various states likewise cannot be regarded as a recommendation of the Bonds. Neither these states nor any of their agencies have passed upon the merits of the Bonds or the accuracy or the completeness of this Official Statement. Any representation to the contrary may be a criminal offense. Neither the Securities and Exchange Commission nor any other federal, state, municipal or other governmental entity has passed upon the accuracy or adequacy of this Official Statement.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED. THE BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES

COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT.

THIS OFFICIAL STATEMENT CONTAINS STATEMENTS WHICH, TO THE EXTENT THEY ARE NOT RECITATIONS OF HISTORICAL FACT, CONSTITUTE “FORWARD LOOKING STATEMENTS.” IN THIS RESPECT, THE WORDS “ESTIMATE,” “PROJECT,” “ANTICIPATE,” “EXPECT,” “INTEND,” “BELIEVE” AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD LOOKING STATEMENTS. A NUMBER OF IMPORTANT FACTORS AFFECTING THE ISSUER, FREDDIE MAC AND THE BORROWER COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE STATED IN THE FORWARD LOOKING STATEMENTS.

References in this Official Statement to statutes, laws, regulations, resolutions, agreements, reports and documents do not purport to be comprehensive or definitive, and all such references are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. This Official Statement is distributed in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

The information in this Official Statement concerning The Depository Trust Company (“DTC”), Brooklyn, New York, and DTC’s book-entry only system has been obtained from DTC and the Issuer takes no responsibility for the accuracy or completeness thereof. Such information has not been independently verified by the Issuer and the Issuer makes no representation as to the accuracy or completeness of such information.

CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed by S&P Capital IQ, a part of McGraw Hill Financial Inc., on behalf of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer and are included solely for the convenience of the holders of the Bonds. The Issuer is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated on the inside cover page of this Official Statement. The CUSIP number is subject to being changed after the issuance of the Bonds as a result of various subsequent actions.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, SEC Rule 15c2-12.

THIS OFFICIAL STATEMENT DESCRIBES THE BONDS, AND IS INTENDED SOLELY FOR USE WITH RESPECT TO THE BONDS.

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OFFICIAL STATEMENT

\$46,500,000*

**CALIFORNIA HOUSING FINANCE AGENCY
LIMITED OBLIGATION MULTIFAMILY HOUSING REVENUE BONDS
(LAKESHORE VILLA APARTMENTS)
2026 ISSUE KK**

INTRODUCTION

The following is a summary of certain information contained in this Official Statement, to which reference should be made for a more complete statement thereof. The Bonds are described to potential investors only by means of the entire Official Statement. Capitalized terms used but not defined herein will have the meanings ascribed to them as set forth under “APPENDIX A – DEFINITIONS OF CERTAIN TERMS.”

The following introductory statement is subject in all respects to more complete information contained elsewhere in this Official Statement. The order and placement of materials in this Official Statement, which includes the cover page and Appendices hereto, are not to be deemed to be a determination of relevance, materiality or relative importance, and this Official Statement, including the cover page and Appendices hereto, must be considered in its entirety. Certain capitalized terms used in this Official Statement are defined herein and in the Appendices hereto. All capitalized terms used in this Official Statement that are not otherwise defined herein shall have the meanings ascribed to them in the Indenture and the Financing Agreement (as such terms are defined herein).

General

The purpose of this Official Statement is to provide information in connection with the issuance by the California Housing Finance Agency (the “Issuer”) of the above-captioned bonds (the “Bonds”). The Bonds will be issued pursuant to Chapter 5 of Division 7 of Title 1 of the California Government Code, together with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code, as now in effect and as it may be supplemented from time to time (collectively, the “Act”), under a Trust Indenture dated as of October 1, 2026 (the “Indenture”) by and between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), and a resolution of the Issuer authorizing and approving the issuance and sale of the Bonds (the “Bond Resolution”) and, after receipt of all required approvals, including approval required pursuant to Section 147(f) of the Internal Revenue Code, which is expected by October 19, 2026. The Issuer is using the proceeds of the Bonds to make a mortgage loan (the “Bond Mortgage Loan”) to Lakeshore Villa Apartments LP, a limited partnership duly organized and existing under the laws of the State of California (the “Borrower”), to provide financing for the acquisition and rehabilitation of a multifamily rental housing development project, the land and residential rental apartment units, and related fixtures, equipment, furnishings and site improvements known as Lakeshore Villa Apartments located at 6888 Golfcrest Drive, San Diego, CA 92119. See “PRIVATE PARTICIPANTS” herein.

The Bond Mortgage Loan will be made pursuant to a Financing Agreement to be dated as of October 1, 2026 (the “Financing Agreement”), by and among the Issuer, the Trustee and the Borrower, and upon the satisfaction of various conditions contained therein and in the Indenture.

* Preliminary, subject to change.

The Borrower's repayment obligations in respect of the Bond Mortgage Loan will be evidenced by a Bond Mortgage Note dated the Delivery Date (together with all riders and addenda thereto, the "Bond Mortgage Note") delivered to the Issuer, which Bond Mortgage Note will be endorsed by the Issuer to the Trustee. Payments on the Bond Mortgage Loan will be made by the Borrower to Berkadia Commercial Mortgage, LLC, as servicer (the "Servicer") for the benefit of the Trustee. The principal amount and payment provisions of the Bond Mortgage Note have been established and structured so that (a) the aggregate principal amount of the Bond Mortgage Note will not be less than the aggregate principal amount of Outstanding Bonds; (b) the interest payable on the Bond Mortgage Note will not be less than the interest payable on the Outstanding Bonds; and (c) the required payments under the Bond Mortgage Note will be timely and sufficient in amount to make the payments due to the Bondholders on the Outstanding Bonds.

On the Delivery Date, the Issuer will assign the Financing Agreement (except for the Issuer's Unassigned Rights) to the Trustee for the benefit of the registered owners of the Bonds. In addition to the other security provided under the Indenture, the required payments under the Bond Mortgage Note will be secured by Guaranteed Payments under a direct-pay Credit Enhancement Agreement dated as of October 1, 2026 (the "Credit Enhancement Agreement" or the "Credit Facility"), between the Federal Home Loan Mortgage Corporation ("Freddie Mac" or the "Credit Facility Provider") and the Trustee. A form of the Credit Enhancement Agreement is attached hereto as Exhibit G. The obligation of the Borrower to reimburse Freddie Mac for funds provided by Freddie Mac pursuant to the Credit Enhancement Agreement is established by the terms and conditions of a Reimbursement and Security Agreement dated as of October 1, 2026 (the "Reimbursement Agreement") by and between the Borrower and Freddie Mac. See "SECURITY FOR THE BONDS — The Credit Enhancement Agreement," "APPENDIX F — SUMMARY OF CERTAIN PROVISIONS OF THE REIMBURSEMENT AGREEMENT" and "APPENDIX G — FORM OF CREDIT FACILITY — CREDIT ENHANCEMENT AGREEMENT."

To secure the Borrower's obligations under the Bond Mortgage Note, the Borrower will execute and deliver to the Issuer a Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated as of the date of the Indenture (the "Bond Mortgage") with respect to the Project, which Bond Mortgage will be assigned to the Trustee.

Under the Credit Enhancement Agreement, subject to certain terms and conditions set forth therein, on any Interest Payment Date, or any date Bonds are called for optional or mandatory redemption, and on the maturity date of the Bond Mortgage Note, Freddie Mac is required to pay the Guaranteed Payment (as defined herein). See "THE BONDS," "APPENDIX A — DEFINITIONS OF CERTAIN TERMS" and "APPENDIX G — FORM OF CREDIT FACILITY — CREDIT ENHANCEMENT AGREEMENT."

So long as Freddie Mac is not in default in its payment obligations under the Credit Enhancement Agreement, Freddie Mac shall control and shall have the right to exercise the Bond Mortgage Rights (as defined in the Intercreditor Agreement).

Pursuant to an Intercreditor Agreement dated as of October 1, 2026 (the "Intercreditor Agreement"), among the Issuer, the Trustee and Freddie Mac with respect to the Bonds, neither the Trustee nor the Bondholders will have the right to exercise remedies under the Bond Mortgage while the Credit Enhancement Agreement secures the Bonds and Freddie Mac continues to honor its obligations thereunder. The Borrower will also execute a Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated as of October 1, 2026 (the "Reimbursement Mortgage") for the benefit of Freddie Mac to secure the Borrower's obligations under the Reimbursement Agreement.

In order to assure compliance with the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), there has been executed and delivered a Regulatory Agreement and Declaration of Restrictive Covenants, dated as of the date of the Indenture (the "Tax Regulatory Agreement"), by and among the Issuer, the Trustee and the Borrower. The Tax Regulatory Agreement requires that the residential rental units in the Project be occupied or held for occupancy by tenants with incomes below the levels described in "APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE TAX REGULATORY AGREEMENT" hereto at restricted rents. The Project will be further restricted as described under the heading "PRIVATE PARTICIPANTS" herein.

The Servicer (as defined herein) will act as servicer for the Bond Mortgage Loan and payments on the Bond Mortgage Loan will be made by the Borrower to the Servicer for the benefit of the Trustee. See "THE SERVICER" herein.

FREDDIE MAC'S OBLIGATIONS WITH RESPECT TO THE BONDS ARE SOLELY AS PROVIDED IN THE CREDIT FACILITY. THE OBLIGATIONS OF FREDDIE MAC UNDER THE CREDIT FACILITY WILL BE OBLIGATIONS SOLELY OF FREDDIE MAC, A SHAREHOLDER-OWNED, GOVERNMENT-SPONSORED ENTERPRISE ORGANIZED UNDER THE LAWS OF THE UNITED STATES OF AMERICA. FREDDIE MAC HAS NO OBLIGATION TO PURCHASE, DIRECTLY OR INDIRECTLY, ANY OF THE BONDS, BUT WILL BE OBLIGATED, PURSUANT TO THE CREDIT FACILITY, TO PROVIDE FUNDS TO THE TRUSTEE TO PAY THE PURCHASE PRICE OF THE BONDS UNDER THE CIRCUMSTANCES DESCRIBED HEREIN. THE BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA, ANY AGENCY THEREOF, OR OF FREDDIE MAC, AND ARE NOT GUARANTEED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA OR BY FREDDIE MAC.

THE BONDS AND THE INTEREST THEREON ARE LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED THEREFOR UNDER THE INDENTURE. NEITHER THE ISSUER, ANY OF ITS MEMBERS, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF (EXCEPT THE ISSUER, TO THE LIMITED EXTENT SET FORTH IN THE INDENTURE) SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THE BONDS OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER EXCEPT AS SET FORTH IN THE INDENTURE, AND NONE OF THE BONDS OR ANY OF THE ISSUER'S AGREEMENTS OR OBLIGATIONS SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE FOREGOING, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE ISSUER HAS NO TAXING POWER.

NO OFFICER, AGENT, EMPLOYEE OR ATTORNEY OF THE ISSUER, INCLUDING ANY PERSON EXECUTING THE INDENTURE OR THE BONDS, SHALL BE LIABLE PERSONALLY ON THE BONDS OR FOR ANY REASON RELATING TO THE ISSUANCE OF THE BONDS. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR THE INTEREST ON THE BONDS, OR FOR ANY CLAIM BASED ON THE BONDS, OR OTHERWISE IN RESPECT OF THE BONDS, OR BASED ON OR IN RESPECT OF THE INDENTURE, AGAINST ANY OFFICER, EMPLOYEE OR AGENT, AS SUCH, OF THE ISSUER OR ANY SUCCESSOR, WHETHER BY VIRTUE OF ANY CONSTITUTION, STATUTE OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY OR OTHERWISE, ALL SUCH LIABILITY BEING, AND AS

PART OF THE CONSIDERATION FOR THE ISSUANCE OF THE BONDS, EXPRESSLY WAIVED AND RELEASED.

Brief descriptions of the Issuer, the Bonds, the security for the Bonds, the Borrower, the Project, the Indenture, the Financing Agreement and the Tax Regulatory Agreement are included in this Official Statement. All references herein to the Indenture, the Financing Agreement, the Credit Facility, the Tax Regulatory Agreement, the Reimbursement Agreement, the Bond Mortgage and other documents and agreements are qualified in their entirety by reference to such documents and agreements, copies of which are available for inspection at the offices of the Trustee.

THE ISSUER

The following information has been provided by the Issuer for use herein. While the information is believed to be reliable, none of the Trustee, the Borrower, the Underwriter, Freddie Mac nor any of their respective counsel, members, officers or employees makes any representations as to the accuracy or sufficiency of such information.

The Issuer was created in 1975 by the Act as a public instrumentality and a political subdivision of the State of California (the “State”) for the primary purpose of meeting the housing needs of persons and families of low or moderate income and exists within the California Housing and Homelessness Agency. The Issuer is authorized to issue its bonds, notes and other obligations for a variety of purposes, including (1) making development loans, construction loans, mortgage loans and property improvement loans to qualified borrowers to finance housing developments and other residential structures; (2) purchasing such loans through qualified mortgage lenders; and (3) making loans to qualified mortgage lenders under terms and conditions requiring the proceeds thereof to be used for certain loans.

The Issuer has sold and delivered obligations other than the Bonds, which other obligations are and will be secured by instruments separate and apart from the Indenture and the Bonds. The holders of such obligations of the Issuer have no claim on the security for the Bonds, and the owners of the Bonds will have no claim on the security for such other obligations issued by the Issuer.

The Issuer has not reviewed any appraisal for the Project or any feasibility study or other financial analysis of the Project and has not undertaken to review or approve expenditures for the Project, to supervise any development or construction of the Project, or to obtain any financial statements of the Borrower.

THE ISSUER HAS NOT REVIEWED THIS OFFICIAL STATEMENT AND IS NOT RESPONSIBLE FOR ANY INFORMATION CONTAINED HEREIN, EXCEPT FOR THE INFORMATION IN THIS SECTION AND UNDER THE CAPTION “ABSENCE OF LITIGATION — THE ISSUER” HEREIN.

THE BONDS

General

The Bonds shall be dated the date of their delivery and shall bear interest and mature on the dates set forth on the inside cover page of this Official Statement. The Bonds are issuable as fully registered bonds initially in the minimum denomination of \$5,000 principal amount or any integral multiple thereof within a maturity, and are available in book-entry only form. See “Book-Entry Only System” below. Interest on the Bonds will be payable on May 1 and November 1, commencing on May 1, 2027*, at the

* Preliminary, subject to change.

fixed rates set forth on the inside cover page of this Official Statement. Interest on the Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Principal of and premium, if any, and interest on the Bonds will be payable by check mailed on the interest payment date to the registered owner thereof at such registered owner's address as it appears on the Bond Register on the Record Date, provided that, upon written request of a registered owner of at least \$1,000,000 aggregate principal amount of Bonds outstanding received by the Trustee at least five (5) Business Days prior to a Record Date, payment will be made to such owner by wire transfer pursuant to the provisions of the Indenture.

Any Bond may be transferred only upon an assignment duly executed by the registered owner or his or her duly authorized representative in such form as will be satisfactory to the Bond Registrar and upon surrender of such Bond to the Trustee for cancellation. Any Bond may, in accordance with its terms, be exchanged at the office of the Trustee for a new fully registered Bond or Bonds, of the same maturity, of any authorized denomination or denominations, for the aggregate amount of such Bond then Outstanding. In all cases in which Bonds will be transferred or exchanged, the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange. Neither the Issuer nor the Trustee will be required to make any such exchange, registration or transfer of Bonds during the period of 15 days immediately preceding an Interest Payment Date, or, in the case of any proposed redemption of Bonds, during the period of 15 days immediately preceding the selection of Bonds for such redemption and after the giving of notice of redemption, the Trustee is not required to transfer or exchange any Bond or portion thereof which has been called for redemption.

Book-Entry Only System

The information in this section concerning The Depository Trust Company ("DTC") and DTC's Book-Entry System has been obtained from DTC and has not been independently verified by the Issuer, the Trustee, the Borrower, the Underwriter or any of their respective counsel, members, officers or employees. No representation whatsoever as to the accuracy, adequacy or completeness of such information, or as to the absence of material adverse changes in such information subsequent to the date hereof, is made by the Issuer, the Trustee, the Borrower, the Underwriter or any of their respective counsel, members, officers or employees.

The Depository Trust Company ("DTC"), Brooklyn, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for the Bonds in the aggregate principal amount of such issue, and will be deposited with, or held by the Trustee as custodian for, DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust

& Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has an S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (the “Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest and redemption or purchase price payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail

information from the Issuer or the Trustee, on payment dates in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest and redemption or purchase price payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

The requirement for physical delivery of Bonds in connection with a mandatory tender for purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but neither the Issuer nor the Borrower takes any responsibility for the accuracy thereof.

Redemption of Bonds Prior to Maturity

Optional Redemption

The Bonds are not subject to optional redemption prior to November 1, 2036*. On and after November 1, 2036*, the Bonds are subject to optional redemption from payments made under the Credit Facility (subject to the limitations set forth in subsection (ii) of this section) or with other Eligible Funds deposited with the Trustee as follows:

(i) with the prior written consent of the Credit Facility Provider, in whole or in part, upon optional prepayments on the Bond Mortgage Loan in accordance with the prepayment restrictions set forth in the Bond Mortgage Note and the Financing Agreement on any Business Day, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest, if any, to the redemption date.

(ii) Optional redemption of Bonds at a premium may only be made if the Trustee shall have received Eligible Funds (not consisting of funds drawn under the Credit Facility) on or prior to the redemption date in an amount sufficient to pay the applicable redemption premium.

(iii) The Trustee shall effect a redemption of Bonds pursuant to this section at the earliest practicable date for which notice may be given hereunder but in no event later than 35 days following its receipt of money representing an optional prepayment of the Bond Mortgage Loan.

* Preliminary, subject to change.

Mandatory Redemption

The Bonds are subject to mandatory redemption on any Business Day, in whole or in part as indicated below, at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date, without premium, at the earliest practicable date from payments made under the Credit Facility upon the occurrence of any of the following:

(i) in whole or in part, upon receipt by the Trustee of (1) proceeds of a draw under the Credit Facility, in the amount of Net Proceeds representing casualty insurance proceeds or condemnation awards paid as a prepayment of the Bond Mortgage Loan, such amount to be applied to reimburse the Credit Facility Provider for the draw under the Credit Facility as a result of casualty or condemnation of the Project and (2) a written direction by the Credit Facility Provider to redeem such Bonds using money obtained as a result of a draw upon the Credit Facility; or

(ii) in whole or in part, upon receipt by the Trustee of amounts from the Credit Facility Provider pursuant to the Credit Facility as a result of the occurrence of an event of default (after expiration of any notice and cure periods) under any Bond Mortgage Loan Document and receipt by the Trustee of a written direction by the Credit Facility Provider to redeem the Bonds pursuant to the Credit Facility; or

(iii) in part, as provided in the “Mandatory Sinking Fund Redemption” below; or

(iv) in part, on the Interest Payment Date next following the completion of the rehabilitation of the Project, to the extent amounts remaining in the Project Account of the Bond Mortgage Loan Fund are transferred to the Redemption Fund pursuant to the Indenture.

Mandatory Sinking Fund Redemption

The Bonds are subject to mandatory sinking fund redemption on the dates and in the amounts set forth in the table(s) below; provided that if less than all the Bonds shall have been redeemed pursuant to the Indenture, the amount of Bonds to be redeemed in each year from sinking fund installments as provided in the Indenture shall be decreased by an amount, in proportion, as nearly as practicable, to the decrease in the payments on the Bond Mortgage Loan in such year as determined by the Trustee (in consultation with the Servicer):

<u>Sinking Fund Payment Date</u>	<u>Amount</u>	<u>Sinking Fund Payment Date</u>	<u>Amount</u>
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Sinking Fund Payment Date

Amount

Sinking Fund Payment Date

Amount

Selection of Bonds for Redemption

The Trustee shall select Bonds subject to mandatory sinking fund redemption pursuant to the Indenture by lot within the appropriate maturity. If less than all the Bonds then Outstanding shall be called for redemption other than as a result of mandatory sinking fund redemption pursuant to the Indenture, the Trustee shall redeem an amount of Bonds so that the resulting decrease in debt service on the Bonds in each semiannual period ending on an Interest Payment Date is proportional, as nearly as practicable, to the decrease in the payments on the Bond Mortgage Note in each such semiannual period, as verified by the Servicer, and the Bonds shall be selected by lot within each maturity, the cost of such selection being at the Borrower's expense.

Bonds shall be redeemed pursuant to the Indenture only in Authorized Denominations.

Notice of Redemption

Notice of the intended redemption of each Bond shall be given by the Trustee by first class mail, postage prepaid, or by facsimile transmission, to the registered Owner at the address of such Owner shown on the Bond Register. All such redemption notices shall be given not less than twenty (20) days (not less than thirty (30) days in the case of optional or mandatory sinking fund redemptions) nor more than sixty (60) days prior to the date fixed for redemption. The Trustee may provide a conditional notice of redemption upon the direction of the Credit Facility Provider or the Borrower (with the prior written consent of the Credit Facility Provider).

Notices of redemption shall state the redemption date and the redemption price, the place or places where amounts due upon such redemption will be payable, and, if less than all of the then Outstanding Bonds are called for redemption, shall state (i) the numbers of the Bonds to be redeemed by giving the individual certificate number of each Bond to be redeemed or shall state that all Bonds between two stated certificate numbers, both inclusive, are to be redeemed or that all of the Bonds of one or more maturities have been called for redemption only if bonds cease to be book entry bonds; (ii) the CUSIP numbers of all Bonds being redeemed if available; (iii) the amount of each Bond being redeemed (in the case of a partial redemption); (iv) the date of issue of the Bond as originally issued; (v) the rate of interest borne by each Bond redeemed; (vi) the maturity date of each Bond being redeemed; (vii) the possibility of a purchase of Bonds in lieu of redemption, if applicable; (viii) the conditions, if any, which must be satisfied in order for the redemption to take place on the scheduled date of redemption, including, as provided in the Indenture, that Eligible Funds are available to pay any redemption premium or the redemption price, as and if applicable, on the Bonds; and (ix) any other descriptive information needed to identify accurately the Bonds being redeemed.

Each notice of redemption shall state that further interest on such Bonds will not accrue from and after the redemption date and that payment of the principal amount and premium, if any, will be made upon presentation and surrender of the Bonds at the Principal Office of the Trustee unless the Bonds are then held in a book entry only system of registration.

Notice of such redemption shall also be sent by first class mail, overnight delivery service, facsimile transmission or other secure means, postage prepaid, to the Credit Facility Provider, to the Servicer, to the Rating Agency, to all of the Securities Depositories and to the Information Service that disseminates securities redemption notices, when possible, not later than the time of mailing of notices required by the first paragraph above, and in any event no later than simultaneously with the mailing of notices required by the first paragraph above; provided, that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds.

In addition to providing notice of redemption as set forth above, if the Bonds are no longer held in book-entry form, the Trustee shall send a second notice of redemption within sixty (60) days following the redemption date, by first class mail, overnight delivery service, or other secure means, postage prepaid to the registered Owners of any Bonds called for redemption, at their addresses appearing on the Bond Register as of the Record Date immediately preceding the redemption date, who have not surrendered their Bonds for redemption within thirty (30) days following the redemption date.

Failure to give notice by mailing to the registered Owner of any Bond designated for redemption or to any depository or Information Service shall not affect the validity of the proceedings for the redemption of any other Bond if notice of such redemption shall have been mailed as herein provided.

Effect of Notice of Redemption

If a conditional notice of redemption has been provided pursuant to the terms of the Indenture and the conditions are not satisfied, such notice of redemption shall be of no force and effect and the Bondholders shall be restored to their former positions as though no such notice of redemption had been delivered. Notice of redemption having been given in the manner provided in the Indenture and if either there were no conditions to such redemption or the conditions have been satisfied, and money for the redemption being held by the Trustee or Paying Agent for that purpose, thereupon the Bonds so called for redemption shall become due and payable on the redemption date, and interest thereon shall cease to accrue on such date; and such Bonds shall thereafter no longer be entitled to any security or benefit under the Indenture except to receive payment of the redemption price thereof.

Purchase of Bonds in Whole in Lieu of Redemption

Notwithstanding anything in the Indenture to the contrary, at any time the Bonds are subject to redemption in whole pursuant to the provisions of the Indenture, all (but not less than all) of the Bonds to be redeemed may be purchased by the Trustee (for the account of the Borrower or the Credit Facility Provider or their respective designee, as directed by such party) on the date which would be the redemption date at the direction of the Credit Facility Provider or the Borrower, with the prior written consent of the Credit Facility Provider (which direction shall specify that such purchase is pursuant to the Indenture and shall be given no later than 5:00 p.m., Washington, D.C. time on the Business Day immediately prior to such redemption date), at a purchase price equal to the redemption price which would have been applicable to such Bonds on the redemption date. The Bonds shall be purchased in lieu of redemption only from amounts provided by the Credit Facility Provider or from other Eligible Funds. In the event the Trustee is so directed to purchase Bonds in lieu of redemption, no notice to the holders of the Bonds to be so purchased (other than the notice of redemption otherwise required hereunder) shall be required, and the Trustee shall be authorized to apply to such purpose the funds in the Redemption Fund which would have been used to pay the redemption price for such Bonds if such Bonds had been redeemed rather than purchased. Such Bonds so purchased for the account of the Borrower shall for all purposes under the Indenture constitute Purchased Bonds held by the Custodian pursuant to the Pledge Agreement. The Credit Facility Provider shall have the right to direct the transfer of Purchased Bonds (without reinstatement of the Credit Facility which will result in such Bonds being unrated) to the Credit Facility Provider or any subsidiary of the Credit

Facility Provider, or to a single Bondholder which has provided the Trustee with a purchaser's letter in the form attached as an exhibit to the Indenture (and otherwise subject to the provisions of the Indenture), provided that any transfer to a single Bondholder as described above shall require delivery of an opinion of Bond Counsel to the Trustee to the effect that such transfer will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds. Such Purchased Bonds, if not transferred as provided herein, shall be deemed redeemed and cancelled automatically by the Trustee on the date which is not later than two (2) years from the date of purchase, unless an opinion of Bond Counsel is delivered to the Trustee to the effect that not redeeming and canceling such Purchased Bonds will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds. Any purchase of Bonds hereunder is not intended as an extinguishment of the debt represented by the Bonds.

SECURITY FOR THE BONDS

General

Under the Indenture, the Issuer grants to the Trustee a security interest in the following property described below to secure the Bonds (said property being herein referred to as the "Trust Estate"). The Trust Estate is granted to the Trustee in order to secure the payment of principal of, premium, if any, and interest on the Bonds according to their tenor and effect, and the payment to Freddie Mac of the Freddie Mac Reimbursement Amount and the Freddie Mac Credit Enhancement Fee or the payment of amounts due and owing to any other Credit Facility Provider following termination of the Credit Enhancement Agreement, and the performance and observance by the Issuer of all the covenants expressed or implied in the Indenture and in the Bonds:

- (a) all right, title and interest of the Issuer in and to all Revenues;
- (b) all right, title and interest of the Issuer (other than the Unassigned Rights) in and to the Financing Agreement, the Bond Mortgage Note, the Bond Mortgage and the Credit Facility, including all extensions and renewals of the terms thereof, if any, including, but without limiting the generality of the foregoing, the present and continuing right to receive, receipt for, collect or make claim for any of the money, income, revenues, issues, profits and other amounts payable or receivable thereunder (including all casualty insurance benefits or condemnation awards subject to the interest of the Credit Facility Provider under the Reimbursement Agreement and the Intercreditor Agreement), whether payable under the above referenced documents or otherwise, to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Issuer or any other Person is or may become entitled to do under said documents; and
- (c) except for funds, money or securities in the Cost of Issuance Fund, the Administration Fund, the Borrower Equity Account, the Credit Facility Reimbursement Fund and the Rebate Fund, all funds, money and securities and any and all other rights and interests in property whether tangible or intangible from time to time thereafter by delivery or by writing of any kind, conveyed, mortgaged, pledged, assigned or transferred as and for additional security hereunder for the Bonds by the Issuer or by anyone on its behalf or with its written consent to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Indenture.

Special, Limited Obligations

The Bonds are special, limited obligations of the Issuer, payable solely from and secured by the Trust Estate and from moneys available to be drawn by the Trustee under the Credit Facility. The Bonds are not in any way a debt of the State or of any other political subdivision of the State and shall not create or constitute an indebtedness, liability or obligation of the State or any other political subdivision of the State. Neither the State nor any other political subdivision of the State will be liable for the payment of the Bonds. The faith and credit of the Issuer, the State or any political subdivision of the State are not pledged to the payment of the principal of or redemption price, if any, or interest on the Bonds. The Issuer has no taxing power.

Notwithstanding anything to the contrary contained in the Indenture or in the Bonds, the Issuer shall not be required to advance any moneys derived from any source other than the Revenues and other assets pledged under the Indenture for any of the purposes in the Indenture mentioned, whether for the payment of the principal of or redemption price, if any, or interest on the Bonds or for any other purpose of the Indenture. Notwithstanding any provisions of the Indenture to the contrary, no recourse under or upon any obligation, covenant or agreement contained in the Indenture or in any Bond shall be had against the Issuer, it being expressly agreed and understood that the obligations of the Issuer under the Indenture, and under the Bonds and elsewhere, are solely special, limited obligations of the Issuer and shall be enforceable only out of the Issuer's interest in the Indenture and the Financing Agreement (except for the Issuer's rights to payment of certain costs, fees and expenses as set forth in the Indenture, the Financing Agreement and elsewhere) and there shall be no recourse against the Issuer or any property now or thereafter owned by it and after entry of judgment against the Issuer by virtue of the power contained in the Indenture, the Issuer may mark the judgment index to the effect that the judgment is limited as aforesaid.

Credit Enhancement Agreement

Freddie Mac is delivering to the Trustee the Credit Enhancement Agreement pursuant to which, subject to certain requirements set forth therein, Freddie Mac is required to pay Guaranteed Payments with respect to the Bond Mortgage Loan when and in the amounts due, and the Purchase Price of the Bonds in the event of a purchase in lieu of redemption in accordance with the terms of the Indenture and Credit Enhancement Agreement. See "APPENDIX G — FORM OF CREDIT FACILITY — CREDIT ENHANCEMENT AGREEMENT."

Information regarding the Reimbursement Agreement is contained in "APPENDIX F — SUMMARY OF CERTAIN PROVISIONS OF THE REIMBURSEMENT AGREEMENT" and further information regarding Freddie Mac is contained herein under the caption "FREDDIE MAC."

FREDDIE MAC

The information presented under this caption "FREDDIE MAC" has been supplied by Freddie Mac. None of the Issuer, the Trustee, the Borrower or the Underwriter has independently verified such information, and none assumes responsibility for the accuracy of such information. The information is qualified in its entirety by reference to the Incorporated Documents, as defined below.

General

Freddie Mac was chartered by Congress in 1970 under the Federal Home Loan Mortgage Corporation Act (the "Freddie Mac Act"). Freddie Mac's mission is to provide liquidity, stability and affordability to the U.S. housing market. Freddie Mac does this primarily by purchasing single-family and multifamily residential mortgages originated by lenders. In most instances, Freddie Mac packages these

mortgages into guaranteed mortgage-related securities, which are sold in the global capital markets. In addition, Freddie Mac transfers a portion of its mortgage credit risk exposure to third-party investors through its credit risk transfer programs, which include securities- and insurance-based offerings. Freddie Mac also invests in mortgages and mortgage-related securities and other types of assets. Freddie Mac does not originate mortgage loans or lend money directly to mortgage borrowers.

Although Freddie Mac is chartered by Congress, Freddie Mac alone is responsible for making payments on its securities and obligations. Freddie Mac's payment obligations under the Credit Enhancement Agreement are not guaranteed by, and are not debts or obligations of, the United States or any federal agency or instrumentality other than Freddie Mac.

Conservatorship

Freddie Mac operates under the conservatorship that commenced on September 6, 2008, conducting its business under the direction of the Federal Housing Finance Agency ("FHFA"), as Freddie Mac's conservator (the "Conservator"). The Conservator has authorized Freddie Mac's Board of Directors (the "Board") to oversee management's conduct of Freddie Mac's business operations so Freddie Mac can operate in the ordinary course. The Conservator also retains certain significant authorities for itself and has not provided them to the Board. The Conservator continues to provide strategic direction for Freddie Mac and directs the efforts of the Board and management to implement its strategy.

Freddie Mac's future structure and role in the mortgage industry will be determined by the executive branch of the U.S. government, Congress, and FHFA. They may also change Freddie Mac's priorities and strategy, including ending the conservatorship or directing Freddie Mac to undertake new business activities and limit or cease existing activities. Significant changes may occur that could materially affect Freddie Mac's business model and results of operations. Some or all of Freddie Mac's functions could be transferred to other institutions, and Freddie Mac could cease to exist as a stockholder-owned company.

The current administration has made comments regarding a number of potential transactions involving Freddie Mac and the Federal National Mortgage Association ("Fannie Mae"), including a public offering of Freddie Mac's equity securities while in conservatorship or outside of conservatorship, and the potential for Freddie Mac's exit from conservatorship. Freddie Mac cannot predict whether or when any of these transactions could take place or on what terms. While Freddie Mac continues to monitor regulatory and policy developments, Freddie Mac cannot predict the accuracy, timing, or impact of such statements or any related policy actions.

Bills have been, and may continue to be, introduced in Congress concerning the future status of Freddie Mac, Fannie Mae, and the mortgage finance system, including bills that provide for the wind down of Freddie Mac and Fannie Mae and modification of the terms of the Purchase Agreement. It is possible that the administration could take steps, even in the absence of legislative action, to implement changes impacting Freddie Mac, Fannie Mae, and the mortgage finance system. Freddie Mac cannot predict the timing or final content of legislation, regulations or administrative actions related to Freddie Mac's activities, nor can Freddie Mac predict the impact any such enacted legislation, regulation or administrative actions would have on Freddie Mac's business and financial condition. Actions taken by FHFA to date, or that may be taken in the future, with respect to key positions at Freddie Mac, including the Chief Executive Officer, the Chair and other members of the Board of Directors, may result in changes in Freddie Mac's priorities and strategies, which could in turn affect Freddie Mac's business and results of operations.

If Freddie Mac exits conservatorship, specified regulatory exemptions that currently apply to Freddie Mac or its securities would no longer apply, such as the rule implementing the Dodd-Frank Wall Street Reform and Consumer Protection Act's credit risk retention requirement and the Federal Reserve Board's single counterparty credit limits rule. The expiration of these exemptions could result in significant changes to Freddie Mac's business and materially adversely affect its financial results and condition.

The conservatorship is indefinite in duration and the likelihood, timing, and circumstances under which Freddie Mac might emerge from conservatorship are uncertain. Even if the conservatorship is terminated, Freddie Mac would remain subject to the senior preferred stock purchase agreement (as amended, the "Purchase Agreement") with the U.S. Department of the Treasury ("Treasury"), and the terms of the senior preferred stock unless they are terminated or amended. Even if the conservatorship ends and the voting rights of common stockholders are restored, Freddie Mac could effectively remain under the control of the U.S. government because of the Purchase Agreement, Treasury's warrant to acquire nearly 80% of Freddie Mac's common stock for nominal consideration, or Treasury's ownership of Freddie Mac's common stock after it exercises its warrant.

See the Incorporated Documents (as defined under Additional Information) for additional information concerning the conservatorship, the terms of the senior preferred stock, and legislative and regulatory developments as well as the legal and compliance risks Freddie Mac faces.

Purchase Agreement

On September 7, 2008, Treasury entered into the Purchase Agreement with Freddie Mac's Conservator, acting on Freddie Mac's behalf. The amount of available funding remaining under the Purchase Agreement was \$140.2 billion as of December 31, 2025. This amount will be reduced by any future draws. The Purchase Agreement requires Treasury, upon the request of the Conservator, to provide funds to Freddie Mac after any quarter in which Freddie Mac has a negative net worth (that is, Freddie Mac's total liabilities exceed its total assets, as reflected on its consolidated balance sheets prepared in accordance with generally accepted accounting principles). The Purchase Agreement also provides for Treasury, upon the request of the Conservator, to provide funds to Freddie Mac if the Conservator determines, at any time, that it will be mandated by law to appoint a receiver for Freddie Mac unless Freddie Mac receives these funds from Treasury. Holders have certain limited rights to bring proceedings against Treasury if Freddie Mac fails to pay under its guarantee and if Treasury fails to perform its obligations under its funding commitment.

The Purchase Agreement provides that Treasury's funding commitment will terminate under any of the following circumstances:

- The completion of Freddie Mac's liquidation and fulfillment of Treasury's obligations under its funding commitment at that time;
- The payment in full of, or reasonable provision for, all of Freddie Mac's liabilities (whether or not contingent, including mortgage-backed securities guarantee obligations); and
- The funding by Treasury of the maximum amount of the commitment under the Purchase Agreement.

In addition, Treasury may terminate its funding commitment and declare the Purchase Agreement null and void if a court vacates, modifies, amends, conditions, enjoins, stays, or otherwise affects the appointment of the Conservator or otherwise curtails the Conservator's powers. Treasury may not terminate its funding commitment under the Purchase Agreement solely by reason of Freddie Mac being in

conservatorship, receivership or other insolvency proceeding, or due to Freddie Mac's financial condition or any adverse change in its financial condition.

The Purchase Agreement contains covenants that significantly restrict Freddie Mac's business and capital activities. The Purchase Agreement also requires Freddie Mac to cap multifamily loan purchases at \$80 billion in any 52-week period, subject to annual adjustment by FHFA based on changes in the Consumer Price Index. In November 2025, FHFA announced that the 2026 loan purchase cap for the multifamily business will be \$88 billion, up from \$73 billion in 2025. At least 50% of Freddie Mac's multifamily loan purchases in any calendar year must be, at the time of acquisition, classified as mission-driven, affordable housing pursuant to FHFA guidelines.

The Purchase Agreement with Treasury is critical to keeping Freddie Mac solvent and avoiding the appointment of a receiver by FHFA under statutory mandatory receivership provisions.

Treasury and FHFA (acting on Freddie Mac's behalf) may amend the Purchase Agreement at any time, and any such amendment could be adverse to Freddie Mac.

See the Incorporated Documents for additional information concerning the Purchase Agreement.

Additional Information

Freddie Mac's common stock is registered with the U.S. Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934 ("Exchange Act"). Freddie Mac files reports and other information with the SEC.

As described below, Freddie Mac incorporates certain documents by reference in this Official Statement, which means that Freddie Mac is disclosing information to you by referring you to those documents rather than by providing you with separate copies. Freddie Mac incorporates by reference in this Official Statement:

- Its most recent Annual Report on Form 10-K, filed with the SEC.
- All other reports Freddie Mac has filed with the SEC pursuant to Section 13(a) of the Exchange Act since the end of the year covered by that Form 10-K report, excluding any information Freddie Mac "furnishes" to the SEC on Form 8-K.
- All documents that Freddie Mac files with the SEC pursuant to Section 13(a), 13(c) or 14 of the Exchange Act after the date of this Official Statement and prior to the termination of the offering of the related Bonds, excluding any information Freddie Mac "furnishes" to the SEC on Form 8-K.

These documents are collectively referred to as the "Incorporated Documents" and are considered part of this Official Statement. You should read this Official Statement in conjunction with the Incorporated Documents. Information that Freddie Mac incorporates by reference will automatically update information in this Official Statement. Therefore, you should rely only on the most current information provided or incorporated by reference in this Official Statement.

You may read and copy any document Freddie Mac files with the SEC at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The SEC also maintains a website at www.sec.gov that contains

reports, proxy and information statements, and other information regarding companies that file electronically with the SEC.

Freddie Mac also makes the Incorporated Documents available on its website at this address:

Website*: www.freddiemac.com

* Freddie Mac is providing this and other internet addresses solely for the information of investors. Freddie Mac does not intend these internet addresses to be active links and Freddie Mac is not using references to these addresses to incorporate additional information into this Official Statement, except as specifically stated in this Official Statement.

Freddie Mac makes no representations as to the contents of this Official Statement, the suitability of the Bonds for any investor, the feasibility of performance of any project, or compliance with any securities, tax or other laws or regulations. Freddie Mac's role is limited to discharging its obligations under the Credit Enhancement Agreement.

FREDDIE MAC'S OBLIGATIONS WITH RESPECT TO THE BONDS ARE SOLELY AS PROVIDED IN THE CREDIT ENHANCEMENT AGREEMENT. THE OBLIGATIONS OF FREDDIE MAC UNDER THE CREDIT ENHANCEMENT AGREEMENT WILL BE OBLIGATIONS SOLELY OF FREDDIE MAC, A SHAREHOLDER-OWNED, GOVERNMENT-SPONSORED ENTERPRISE ORGANIZED UNDER THE LAWS OF THE UNITED STATES OF AMERICA. FREDDIE MAC HAS NO OBLIGATION TO PURCHASE, DIRECTLY OR INDIRECTLY, ANY OF THE BONDS, BUT WILL BE OBLIGATED, PURSUANT TO THE CREDIT ENHANCEMENT AGREEMENT, TO PROVIDE FUNDS TO THE TRUSTEE TO PAY THE PURCHASE PRICE OF THE BONDS UNDER THE CIRCUMSTANCES DESCRIBED HEREIN. THE BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA, ANY AGENCY THEREOF, OR OF FREDDIE MAC, AND ARE NOT GUARANTEED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA OR BY FREDDIE MAC.

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PLAN OF FINANCING

The estimated sources and uses for the Project are projected to be approximately as follows:

Sources of Funds*	
Bond Proceeds	\$46,500,000
Tax Credit Equity ¹	30,016,615
Deferred Developer Fee	6,185,307
Cash Flow from Operations	3,494,824
MGP Capital Contribution	100
AGP Capital Contribution	<u>3,002</u>
Total	<u>\$86,199,848</u>

Uses of Funds*	
Acquisition	\$47,000,000
Construction	18,042,784
Hard Cost Contingency	1,770,816
Developer Fee	6,203,479
Soft Costs	1,150,120
Mortgage Interest During Construction	3,494,824
Financing Costs	2,830,102
Bond Costs	676,425
Tax Credit & Syndication Costs	216,522
Closing Costs	301,217
Interim Acquisition Costs	3,496,645
Escrows & Reserves	<u>1,016,914</u>
Total	<u>\$86,199,848</u>

¹ *The Project will utilize an equity bridge loan from Customers Bank to bridge a portion of the tax credit equity during the rehabilitation period, which equity bridge loan will then be repaid with capital contributions from the Investor Limited Partner.*

All costs of issuing the Bonds, including the Underwriter's fee, will be paid by the Borrower.

The Tax Credit Equity. Contemporaneously with the issuance of the Bonds, the Borrower expects to offer the Investor Limited Partner a 99.99% ownership interest in the Borrower in exchange for equity contributions based primarily on the receipt of certain benefits from the Project's Tax Credit Equity. The funding of the Tax Credit Equity will total approximately \$30,016,615* with an initial contribution of approximately 4,540,459*, which will be funded on the Closing Date. The funding levels and the timing of the funding are subject to numerous adjustments and conditions which could result in the amounts funded and/or the timing or even occurrence of the funding varying significantly from the projections set forth above and neither the Issuer nor the Underwriter makes any representation as to the availability of such funds.

* Preliminary, subject to change.

Deferred Developer Fee. The Project will also utilize a deferred developer fee in the amount of \$6,185,307* as a source of funding. The deferred developer fee will be paid by the Borrower to the Developer from surplus cash flow received through the operation of the Project.

The HAP Contract

The Project has an existing Housing Assistance Payment Contract (the “HAP Contract”) covering 124 of its 126 units that was originally entered into on the 5th of June, 1978 for a term of 5 years with 3 additional 5-year term extensions. The original contract was subsequently renewed and the Project’s current HAP Contract renewal was effective on the 1st of March, 2026 and expires on the 28th of February, 2046. The existing HAP Contract will be renewed for an additional twenty (20) year term in order to service debt during the term of the Bond Mortgage Loan.

Funding under the HAP Contract is subject to annual Congressional appropriations, as more particularly described below. The Section 8 project-based housing assistance payment program (the “Section 8 Program”) is authorized by Section 8 of the United States Housing Act of 1937, as amended, and in the case of Section 8 contracts is administered by contract administrators selected by the United States Department of Housing and Urban Development (“HUD”). Renewals of Section 8 HAP contracts are governed by the Multifamily Assisted Housing Reform and Affordability Act of 1997, as amended (“MAHRA”). The Section 8 Program authorizes housing assistance payments to owners of qualified housing for the benefit of low-income families (defined generally as families whose incomes do not exceed 80% of the area median income (“AMI”) for the area as determined by HUD), and very low-income families (defined generally as families whose income do not exceed 50% of the AMI as determined by HUD). Section 8 housing assistance payments generally represent the difference between the “contract rent” for the unit approved by HUD and the eligible tenant’s contribution, which is generally 30% of income, as adjusted for family size and certain expenses, subject to a minimum rent contribution. The rents approved by HUD for the Project, as they may be adjusted from time to time with procedures set forth in MAHRA and the HAP Contract, are the “contract rents” for the Project. The HAP Contract will require the Borrower to maintain the Project in decent, safe and sanitary condition and to comply with other statutory and regulatory requirements governing the operation of the Project, use of project funds, and other matters. If the Borrower fails to comply with the terms of the HAP Contract, HUD or the contract administrator could seek to abate or terminate the payments under the HAP Contract, or take other sanctions. MAHRA requires that upon the request of the Borrower, HUD shall renew the HAP Contract under the Section 8 Program. However, because the HAP Contract is subject to receipt of annual appropriations by Congress, there is no assurance that the HAP Contract will be renewed or replaced upon its expiration. Funding for HAP contracts is appropriated by Congress on an annual basis, and there is no assurance that adequate funding will be appropriated each year during the term of the HAP Contract. Since payments received under the HAP Contract constitute a primary source of revenues for the Project, the expiration of the HAP Contract, or the failure of Congress to appropriate funds sufficient to fund the HAP Contract during each year of its term, would have a material adverse effect on the ability of the Project to generate revenues sufficient to pay the principal of, and interest on, the Loan.

Project Regulation

The Borrower intends to rehabilitate and operate the Project as a qualified residential rental project in accordance with the provisions of Section 142(d) of the Code. Concurrently with the issuance of the Bonds, the Borrower, the Trustee and the Issuer will enter into the Regulatory Agreement. Under the Regulatory Agreement, the Borrower will agree that, at all times during the qualified project period (as defined in the Regulatory Agreement), the Borrower will rent at least 40% of the units in the Project to

* Preliminary, subject to change.

persons whose adjusted family income (determined in accordance with the provisions of the Code) is no more than 60% of the area median income (adjusted for family size). See “APPENDIX E – SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENT” herein.

In addition to the rental restrictions imposed upon the Project by the Regulatory Agreement, the Project will be further encumbered by a tax credit restrictive covenant, to be executed by the Borrower in connection with the LIHTCs anticipated to be granted for the Project and in compliance with the requirements of Section 42 of the Code. Section 42 of the Code will restrict the income levels of 100% of the residential units in the Project (the “Tax Credit Units”). Fifty percent (50%) of the Tax Credit Units shall be held available for rental to persons whose adjusted family income is equal to or less than 30% of the AMI, adjusted for family size, and fifty percent (50%) of the Tax Credit Units shall be held available for rental to persons whose adjusted family income is equal to or less than 60% of the AMI, adjusted for family size. The rents which may be charged for occupancy of such units will be restricted to not more than 30% of the applicable AMI restriction, adjusted for family size.

Real Estate Tax Exemption

The Project is expected to qualify for an exemption from real estate taxes, in accordance with Section 214(g) of the California Revenue and Taxation Code. This statutory exemption is available to properties with a nonprofit managing general partner, a regulatory agreement restricting at least 20% of the units to 80% of AMI and below, and government financing. With all of the units (not including managers’ units) restricted at or below 80% of AMI, the Project is expected to qualify for a 100% exemption, provided a unit shall cease to be treated as being restricted at or below 80% of AMI for so long as it is occupied by an over-income tenant household (specifically, when the income of the occupants of the unit increases above 140% of AMI, adjusted for family size).

PRIVATE PARTICIPANTS

The following has been provided solely by the Borrower. Certain financial information with respect to the Project is included herein. Neither the Issuer, Freddie Mac nor any of their officers or employees, make any representations as to the accuracy or sufficiency of such information.

The Borrower

The Borrower is Lakeshore Villa Apartments LP, a California limited partnership (the “Borrower”). The Borrower is a single-purpose entity formed to acquire, construct, rehabilitate and operate the Project. The Borrower’s managing general partner is PacH Roseville II Holdings, LLC, a California limited liability company (the “Managing General Partner”), which will have a 0.001% ownership interest in the Borrower. The administrative general partner of the Borrower is Lakeshore Villa AGP LLC, a Delaware limited liability company (the “Administrative General Partner”), and will own 0.0063% interest in the Borrower. Lakeshore Villa Partners LLC, a Delaware limited liability company (the “Class B Limited Partner”), will own a 0.0027% interest in the Borrower. Berkadia Lakeshore Villa Apartments MTE LP, a Delaware limited partnership (the “Investor Limited Partner”), will own 99.99% interest in the Borrower. Riverside Manager, LLC, a New Jersey limited liability company, dba Berkadia Affordable Manager (the “Special Limited Partner”) will own a 0% interest in the Borrower.

The Borrower has not acquired and does not intend to acquire any substantial assets or engage in any substantial business activities other than those related to the Project. However, affiliates of the Borrower may engage in the acquisition, development, ownership and management of other similar types of projects that may be competitive with the Project.

The Developer

The developer for the Project is Lakeshore Villa Developer LLC, a Delaware limited liability company (the “Developer”), located in Santa Monica, California. The Developer is an affiliate of LAC. LAC was started in 2016 and has ten years of experience in affordable housing development. LAC has developed more than 30,000 units in approximately 30 states. The Developer and LAC are affiliates of the Administrative General Partner.

Investor Limited Partner

Contemporaneously with the issuance of the Bonds, the Borrower expects to admit the Investor Limited Partner with a 99.99% ownership interest in the Borrower in exchange for equity contributions based primarily on the receipt of certain benefits from the Project’s federal low-income housing tax credits (the “LIHTCs”). The funding of the federal low income housing tax credit equity (the “Tax Credit Equity”) by the Investor Limited Partner is expected to total approximately \$30,016,615*. The funding levels and the timing of the funding are subject to numerous adjustments and conditions that could result in the amounts funded and/or the timing or even occurrence of the funding varying significantly from the projections set forth above and no representation is made as to the availability of such funds.

Limited Assets and Obligation of Borrower, Administrative General Partner, Managing General Partner and Investor Limited Partner

The Borrower, the Administrative General Partner and the Managing General Partner have no substantial assets other than the Project and do not intend to acquire any other substantial assets or to engage in any substantial business activities other than those related to the ownership of the Project. However, the Investor Limited Partner and its affiliates and affiliates of the Managing General Partner and the Administrative General Partner are engaged in and will continue to engage in the acquisition, development, ownership and management of similar types of housing projects. They may be financially interested in, as officers, partners or otherwise, and devote substantial times to, business and activities that may be inconsistent or competitive with the interests of the Project.

The Borrower and its partners will not be personally liable for payments on the Bond Mortgage Note, the payments on which are to be applied to pay the principal of and interest on the Bonds; nor will the Borrower be personally liable under the other documents executed in connection with the issuance of the Bonds and the making of the Bond Mortgage Loan. Furthermore, no representation is made that the Borrower will have substantial funds available for the Project. Accordingly, neither the Borrower’s financial statements nor those of its partners are included in this Official Statement.

The Architect

The architect for the Project is Ebersoldt + Associates (the “Architect”). The Architect is not an affiliate of the Developer. The Architect has been a licensed architect for 25+ years and has been the principal architect for approximately 250+ multifamily developments with an excess of 30,000 units throughout over 35 states.

* Preliminary; subject to change.

The General Contractor

The general contractor for the Project will be Paragon Construction Company (the “General Contractor”). The General Contractor is not an affiliate of the Developer. The General Contractor and its affiliated construction companies have been constructing and rehabilitating multifamily rental housing developments for over five years and have rehabilitated over 33 projects, with nearly 5,000 units.

The Property Manager

The Project will be managed by Cornerstone Residential CA, Inc., or its affiliates (collectively, the “Property Manager”). The Property Manager is not an affiliate of the Developer. The Property Manager has been involved in the management of apartment complexes since 1984. The Property Manager currently manages more than 215 apartment communities comprising a total of approximately 21,000 units throughout 18 states. The Property Manager was formed in 1984 and currently has a staff of 55 corporate personnel and 500 site employees.

THE PROJECT

The following information concerning the Project has been provided by representatives of the Borrower and has not been independently confirmed or verified by either the Underwriter or the Issuer. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

The Project, known as Lakeshore Villa Apartments, is located in San Diego, California, on an approximately 2.2-acre site. The Project contains 126 apartment units in two residential buildings, and is located at 6888 Golfcrest Drive, San Diego, CA 92119. Common area improvements will include: refreshed clubhouse, resident services space and community room, as well as a new fitness center. Unit amenities include: heating and cooling, updated bathroom vanities, as well as updated appliances, kitchen cabinets, and kitchen countertops. There are 38 parking spaces for resident use only.

It is anticipated that rehabilitation will commence promptly upon the issuance of the Bonds and funding of the initial installment of the Tax Credit Equity and will be completed in approximately 14* months.

The unit type, the unit mix and approximate square footage for the units of the Project will be as follows:

<u>Unit Type</u>	<u>Number</u>	<u>Approximate Square Feet</u>
1 BD	<u>126</u>	535
Total	126	

* Preliminary subject to change.

THE SERVICER

The information under this heading has been provided solely by the Servicer and has not been independently verified by the Issuer, the Trustee, the Borrower, the Underwriter, Freddie Mac or any of their respective counsel, members, officers or employees or Bond Counsel. No representation whatsoever as to the accuracy, adequacy or completeness of such information is made by the Issuer, the Trustee, the Borrower, the Underwriter, Freddie Mac or any of their respective counsel, members, officers or employees or Bond Counsel.

Berkadia Commercial Mortgage, LLC (the “Servicer”) will perform mortgage servicing functions with respect to the Bond Mortgage Loan pursuant to the Reimbursement Agreement and related documents on behalf of and in accordance with Freddie Mac requirements. The servicing arrangements between Freddie Mac and the Servicer for servicing the Bond Mortgage Loan are solely between Freddie Mac and the Servicer and neither the Issuer nor the Trustee is deemed to be a party thereto or has any claim, right, obligation, duty or liability with respect to the servicing of the Bond Mortgage Loan.

The Servicer will be obligated, pursuant to its arrangements with Freddie Mac and Freddie Mac’s servicing requirements, to perform diligently all services and duties customary to the servicing of mortgages, as well as those specifically prescribed by Freddie Mac. Freddie Mac will monitor the Servicer’s performance and has the right to remove the Servicer with or without cause. The duties performed by the Servicer include general loan servicing responsibilities, collection and remittance of principal and interest payments, administration of mortgage escrow accounts and collection of insurance claims.

CERTAIN BONDHOLDERS’ RISKS

The purchase of the Bonds will involve a number of risks. The following is a summary, which does not purport to be comprehensive or definitive, of some of such risk factors.

No Borrower Personal Liability

The Borrower has not been nor will it be (subject to certain limited exceptions to non-recourse liability set forth in the Financing Agreement and the Bond Mortgage) personally liable for payments on the Bond Mortgage Loan, nor under the other Bond Financing Documents. All payments on the Bond Mortgage Loan are expected to be derived from revenues generated by the Project.

Credit Facility; Primary Security

The primary security for the Bonds will be the Credit Facility delivered by Freddie Mac to the Trustee in order to pay the principal of, premium, if any, and interest on the Bonds. Based on this expectation, no financial information as to the creditworthiness of the Borrower or the value of the Project is included herein.

It is possible, in the event of the insolvency of the Credit Facility Provider, or the occurrence of some other event precluding the Credit Facility Provider from honoring its obligations to make payments as stated in the Credit Facility, that the financial resources of the Borrower will be the only source of payment on the Bonds. There can be no assurance that the financial resources of the Borrower would be sufficient to pay the principal, premium if any, and interest on the Bonds in the event the Trustee were forced to seek recourse against the Borrower. See “SECURITY FOR THE BONDS” herein.

Special Limited Obligations

The Bonds are special, limited obligations of the Issuer payable solely from the Trust Estate.

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE TRUST ESTATE AND FROM MONEYS AVAILABLE TO BE DRAWN BY THE TRUSTEE UNDER THE CREDIT FACILITY. THE BONDS ARE NOT IN ANY WAY A DEBT OF THE STATE OR OF ANY OTHER POLITICAL SUBDIVISION OF THE STATE AND SHALL NOT CREATE OR CONSTITUTE AN INDEBTEDNESS, LIABILITY OR OBLIGATION OF THE STATE OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE. NEITHER THE STATE NOR ANY OTHER POLITICAL SUBDIVISION OF THE STATE WILL BE LIABLE FOR THE PAYMENT OF THE BONDS. THE FAITH AND CREDIT OF THE ISSUER, THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR REDEMPTION PRICE, IF ANY, OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THE INDENTURE OR IN THE BONDS, THE ISSUER SHALL NOT BE REQUIRED TO ADVANCE ANY MONEYS DERIVED FROM ANY SOURCE OTHER THAN THE REVENUES AND OTHER ASSETS PLEDGED UNDER THE INDENTURE FOR ANY OF THE PURPOSES IN THE INDENTURE MENTIONED, WHETHER FOR THE PAYMENT OF THE PRINCIPAL OF OR REDEMPTION PRICE, IF ANY, OR INTEREST ON THE BONDS OR FOR ANY OTHER PURPOSE OF THE INDENTURE. NOTWITHSTANDING ANY PROVISIONS OF THE INDENTURE TO THE CONTRARY, NO RECOURSE UNDER OR UPON ANY OBLIGATION, COVENANT OR AGREEMENT CONTAINED IN THE INDENTURE OR IN ANY BOND SHALL BE HAD AGAINST THE ISSUER, IT BEING EXPRESSLY AGREED AND UNDERSTOOD THAT THE OBLIGATIONS OF THE ISSUER UNDER THE INDENTURE, AND UNDER THE BONDS AND ELSEWHERE, ARE SOLELY SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER AND SHALL BE ENFORCEABLE ONLY OUT OF THE ISSUER'S INTEREST IN THE INDENTURE AND THE FINANCING AGREEMENT (EXCEPT FOR THE ISSUER'S RIGHTS TO PAYMENT OF CERTAIN COSTS, FEES AND EXPENSES AS SET FORTH IN THE INDENTURE, THE FINANCING AGREEMENT AND ELSEWHERE) AND THERE SHALL BE NO OTHER RECOURSE AGAINST THE ISSUER OR ANY PROPERTY NOW OR THEREAFTER OWNED BY IT AND AFTER ENTRY OF JUDGMENT AGAINST THE ISSUER BY VIRTUE OF THE POWER CONTAINED IN THE INDENTURE, THE ISSUER MAY MARK THE JUDGMENT INDEX TO THE EFFECT THAT THE JUDGMENT IS LIMITED AS AFORESAID.

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Early Redemption or Mandatory Purchase

Purchasers of Bonds, including those who purchase Bonds at a price in excess of their principal amount or who hold such a Bond trading at a price in excess of par, should consider the fact that the Bonds are subject to redemption or mandatory purchase at a redemption or purchase price equal to their principal amount plus accrued interest as described herein. This could occur, for example, in the event that the Bond Mortgage Loan is prepaid as a result of a casualty or condemnation award payments affecting the Project or there is a default under the Bond Mortgage. See “THE BONDS – Optional Redemption,” “– Mandatory Redemption” and “– Mandatory Sinking Fund Redemption.”

No Acceleration or Redemption upon Loss of Tax Exemption

One condition to the Delivery Date is that the Borrower will covenant and agree to comply with the provisions of the Code relating to the exclusion from gross income for federal income tax purposes of the interest payable on the Bonds. The financing documents contain provisions and procedures designed to assure compliance with such covenant. However, the Borrower’s covenant to comply with the requirements of the Code is non-recourse to the Borrower, and the Borrower’s liability is limited to the revenues and assets comprising the Project. Furthermore, the Borrower’s failure to comply with such provisions will not constitute a default under the Bond Mortgage Loan and will not give rise to a redemption or acceleration of the Bonds (unless Freddie Mac determines, at its option and in its sole and absolute discretion, that such failure will constitute such a default) and is not the basis for an increase in the rate of interest payable on the Bonds. **Consequently, interest on the Bonds following the Delivery Date may become includable in gross income for purposes of federal income taxation retroactive to the Delivery Date by reason of the Borrower’s failure to comply with the requirements of federal tax law, and neither the Issuer, the Trustee nor the Bondholders will have remedies available to them to mitigate the adverse economic effects to the Bondholders of such inclusion by reason of the Borrower’s non-compliance.**

Economic Feasibility

The economic feasibility of the Project depends in large part upon it being substantially occupied at projected rent levels. There can be no assurance that in the future the Borrower will be able to rent the units at rates which will enable them to make timely payments on the Bond Mortgage Loan.

Enforceability and Bankruptcy

The remedies available to the Trustee and the Bondholders upon an event of default under the Financing Agreement, the Credit Facility or the Indenture are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay.

Under existing laws and judicial decisions, the remedies provided under the aforesaid documents may not readily be available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Bonds and the aforesaid documents will be qualified to the extent that the enforceability of certain legal rights related to the Bonds is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

Normal Risks

Normal risks attending any investment in real estate include possible adverse use of adjoining land, fire, earthquake or other casualty, condemnation, increased taxes, changes in demand for such facilities, increases in utility rates, adverse general and local economic conditions, energy shortages, a decline in property values in the Project, increases in operating costs due to inflation, non-compliance of tenants with the terms of their leases, unfavorable governmental regulation (such as enactment of rent controls), force majeure and uninsurable risks, construction strikes and decrease in the relative popularity of real estate investments as contrasted with other investments. These risks and many others cannot be controlled by the Borrower and may have a substantial bearing on the profitability and financial feasibility of the Project, and which may affect the realizable value of the real estate and other collateral securing payment of the Bonds.

Management of the Project

The successful operation of the Project will depend, to a large extent, upon the management services provided by the manager of the Project and upon the ability of the Borrower to lease the units, keeping the Project substantially occupied through the term of the Bonds. There is no assurance that the manager will operate the Project on a profitable basis. There can be no assurance that the Project will be operated in a manner which will provide sufficient money to pay principal and interest on the Bonds and to operate and maintain the Project. See “PRIVATE PARTICIPANTS” herein.

Effect of Increases in Operating Expenses

It is impossible to predict future increases in operating expenses of the Project. Substantial increases in operating expenses will affect future net operating income of the Project and the ability of the Borrower to meet its debt service obligations, primarily, its reimbursement obligations to the Credit Facility Provider.

Additional Bonds and Subordinate Financing

The Borrower may obtain additional financing for the Project at a future date subject to the prior written consent of the Credit Facility Provider. Such additional financing could be in the form of additional bonds issued by the Issuer. Additional bonds could be issued on a parity basis with the Bonds pursuant to a supplemental trust indenture provided that the issuance thereof was not materially adverse to the interest of the Bondholders. Such additional financing could also be in the form of a conventional loan the payment obligations with respect to which would be subordinate to the Borrower’s payment obligations under the Bond Mortgage Loan. In either case, the increased repayment obligations of the Borrower could increase the likelihood of an early redemption of the Bonds. Any such redemption would be at a price equal to the principal amount of the Bonds to be redeemed, plus accrued interest to the date of redemption, without premium.

Potential Impact of Pandemics or Public Health Crises

The spread of the strain of a virus and resulting disease could alter the behavior of businesses and people in a manner that could have negative effects on global, state and local economies. There can be no assurances that the spread of a pandemic would not materially impact both local and national economies and, accordingly, have a materially adverse impact on the Project’s operating and financial viability. The effects of a pandemic could include, among other things, an increase in the time necessary to complete the rehabilitation of the Project, suspension or delay of site inspections and other on-site meetings, interruption in the engagement of material participants in the Project and increased delinquencies and/or vacancies, all

of which could impact the Borrower's ability to make payments on the loans and result in a default and acceleration thereof.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Issuer ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), except that no opinion is expressed as to the status of interest on any Bond for any period that such Bond is held by a "substantial user" of the facilities financed or refinanced by the Bonds or by a "related person" within the meaning of Section 147(a) of the Code. Bond Counsel is of the opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that interest on the Bonds is exempt from State of California personal income taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership, or disposition of, or the amount, accrual or receipt of interest on, the Bonds. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix H hereto.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each beneficial owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Beneficial owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of beneficial owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a beneficial owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such beneficial owner. Beneficial owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The Issuer and the Borrower have made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal

gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may otherwise affect a beneficial owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the beneficial owner or the beneficial owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future state or federal legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Issuer or the Borrower, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Issuer and the Borrower have covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Issuer, the Borrower or the beneficial owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, the beneficial owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Issuer or the Borrower legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the Issuer, the Borrower or the beneficial owners to incur significant expense.

Payments on the Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate beneficial owner of Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Bonds. The payor will be required to deduct

and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number (“TIN”) to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a “notified payee underreporting” described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a beneficial owner’s federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain beneficial owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

CONTINUING DISCLOSURE

The Borrower, as the only “obligated person” with respect to the Bonds, will enter into a Continuing Disclosure Agreement, dated as of October 1, 2026 (the “Continuing Disclosure Agreement”), with U.S. Bank Trust Company, National Association, acting as Dissemination Agent, pursuant to which the Borrower will agree to provide ongoing disclosure pursuant to the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission (the “Rule”). Financial statements will be provided at least annually to the Municipal Securities Rulemaking Board (the “MSRB”) and notices of certain events will be issued pursuant to the Rule. Information will be filed with the MSRB through its Electronic Municipal Market Access (“EMMA”) system, unless otherwise directed by the MSRB. A form of the Continuing Disclosure Agreement is attached hereto as Appendix I.

A failure by the Borrower to comply with the provisions of the Continuing Disclosure Agreement will not constitute a default under the Financing Agreement (although Bondholders will have any available remedy at law or in equity for obtaining necessary disclosures). Nevertheless, such a failure to comply is required to be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds.

The Borrower has not previously been subject to the continuing disclosure requirements of the Rule.

The Borrower has advised that certain litigation involving its affiliate, Pacific Housing, Inc., is pending. However, based on information provided by the Borrower, the Borrower does not currently expect the pending matters to have a material adverse effect on the Project or the Borrower’s ability to perform its obligations with respect to the Bonds.

UNDERWRITING

Pursuant and subject to the terms and conditions set forth in the Bond Purchase Agreement (the “Bond Purchase Agreement”), among Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), the Issuer and the Borrower, the Underwriter has agreed to purchase the Bonds at the price set forth on the cover page hereof. For its services relating to the transaction, the Underwriter will receive a fee of \$_____ plus \$_____, payable in immediately available funds on the Closing Date, from which the Underwriter shall pay certain fees and expenses relating to the issuance of the Bonds. The Underwriter’s fee shall not include the fee of its counsel.

The Underwriter’s obligations are subject to certain conditions precedent, and the Underwriter will purchase all the Bonds, if any are purchased. Pursuant to the Bond Purchase Agreement, the Borrower has agreed to indemnify the Underwriter and the Issuer against certain civil liabilities, including liabilities under federal securities laws. It is intended that the Bonds will be offered to the public initially at the offering

prices set forth on the cover page hereof and that such offering prices subsequently may change without any requirement of prior notice. The Underwriter may offer the Bonds to other dealers at prices lower than those offered to the public.

The Underwriter does not guarantee a secondary market for the Bonds and is not obligated to make any such market in the Bonds. No assurance can be made that such a market will develop or continue. Consequently, investors may not be able to resell Bonds should they need or wish to do so for emergency or other purposes.

The Underwriter and its affiliates comprise a full-service financial institution engaged in activities which may include securities sales and trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates may have provided, and may in the future provide, a variety of these services to the Issuer and/or the Borrower and to persons and entities with relationships with the Issuer and/or the Borrower, for which they received or will receive customary fees and expenses. The Underwriter is not acting as financial advisor to the Issuer or the Borrower in connection with the offer and sale of the Bonds.

In the ordinary course of these business activities, the Underwriter and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer and/or the Borrower (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer and/or the Borrower.

The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer.

RATING

Moody's Investors Service, Inc. (the "Rating Agency") has assigned the rating to the Bonds as shown on the cover page of this Official Statement. The rating reflects only the views of the rating agency, and an explanation of the significance of such rating may be obtained from it. No assurance can be given that the ratings will be maintained for any given period of time or that the rating may not be revised downward, suspended or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward change in, suspension or withdrawal of the rating may have an adverse effect on the market price of the Bonds. The Underwriter and the Issuer have undertaken no responsibility after issuance of the Bonds to assure the maintenance of the rating or to oppose any such revision, suspension or withdrawal.

CERTAIN LEGAL MATTERS

Certain legal matters relating to the execution and delivery of the Indenture and the Financing Agreement are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel, which will be furnished at the expense of the Borrower (the “Bond Counsel Opinion”).

Certain legal matters will be passed upon for the Credit Facility Provider by its legal department and by its special counsel, Barnes & Thornburg LLP, Washington, D.C., for the Borrower by its counsels, Cohen Liuzzo PLLC, New York, New York, and Bocarsly Emden Cowan Esmail & Arndt LLP, Los Angeles California, and for the Underwriter by its counsel, Tiber Hudson LLC, Washington, D.C.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed therein. By rendering the legal opinion, the opinion giver does not become an insurer or guarantor of an expression of professional judgment of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

ABSENCE OF LITIGATION

The Issuer

To the knowledge of the Issuer, there is no material litigation pending or threatened against the Issuer concerning the validity of the Bonds or any proceedings of the Issuer taken with respect to the issuance thereof

The Borrower

On the date of issuance of the Bonds, the Borrower is delivering a certificate that there is no pending or, to the knowledge of the Borrower, any threatened litigation against the Borrower adversely affecting the power or authority of the Borrower to enter into the Bond Financing Documents or that would materially adversely affect the Borrower’s obligations under the Bond Financing Documents.

ENFORCEABILITY OF REMEDIES

The remedies available to the Trustee and the owners of the Bonds upon an Event of Default under the Indenture, the Financing Agreement, the Credit Facility, if delivered, or any other document described herein are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing law and judicial decisions, the remedies provided may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Bonds is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

RELATIONSHIP AMONG PARTIES

In connection with the issuance of the Bonds, the Issuer, the Borrower, and the Underwriter are being represented by the attorneys or law firms identified herein. In other transactions not related to the Bonds, each of these attorneys or law firms may have acted as bond counsel or represented the Issuer, the Underwriter, the Borrower, or their affiliates, in capacities different from those described herein, and there

will be no limitations imposed as a result of the issuance of the Bonds on the ability of any of those attorneys or firms to act as bond counsel or represent any of these parties in any future transactions. Potential purchasers of the Bonds should not assume that the Issuer, the Underwriter, the Borrower, or their respective counsel or Bond Counsel have not previously engaged in, or will not after the issuance of the Bonds engage in, other transactions with each other or with affiliates of any of them, and no assurance can be given that there are or will be no past or future relationships or transactions between or among any of these parties or these attorneys or law firms.

MISCELLANEOUS

Any statements herein involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Issuer or the Borrower and the purchasers or owners of any of the Bonds. The Issuer makes no representations as to the accuracy or completeness of the contents of this Official Statement except with respect to the information under the sections “THE ISSUER” and “ABSENCE OF LITIGATION –The Issuer.”

Appendices A through I are integral parts of this Official Statement and should be read in conjunction with the foregoing material.

Certain provisions of the Act, the Indenture, the Financing Agreement, the Tax Regulatory Agreement, the Credit Facility, the Code and other provisions of law are summarized in this Official Statement. Such summaries do not purport to be comprehensive or definitive and reference is made to such documents and laws for a full and complete statement of their respective provisions. All quotations from, and summaries and explanations of, the Act, the Indenture, the Credit Facility and the Code contained herein do not purport to be complete and reference is made to said documents for full and complete statements of their provisions. Copies of the Indenture and the Credit Facility may be obtained upon request directed to the California Housing Finance Agency, 500 Capitol Mall, Suite 1400, Sacramento, CA 95814.

The information contained herein is subject to change without notice and no implication is to be derived therefrom or from the offering of the Bonds that there has been no change in such information from the date of this Official Statement.

This Official Statement is submitted in connection with the sale of the Bonds and may not be reproduced or used, in whole or in part, for any other purpose. Any statements herein involving matters of opinion or estimate, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Issuer and the purchasers or owners of any of the Bonds.

[Signature page to follow]

[Borrower Signature Page to this Official Statement]

LAKESHORE VILLA APARTMENTS LP,
a California limited partnership

By: Lakeshore Villa AGP LLC,
a Delaware limited liability company,
its administrative general partner

By: _____
Russell Condas
Vice President

By: PacH Roseville II Holdings, LLC,
a California limited liability company,
its managing general partner

By: Pacific Housing, Inc.,
a California non-profit public benefit corporation,
its manager

By: _____
Mark A. Wiese
President

APPENDIX A

DEFINITIONS OF CERTAIN TERMS

In addition to the terms defined elsewhere in this Official Statement, the following are definitions of certain terms used in this Official Statement. Terms used but not otherwise defined herein will have the meanings assigned to such terms in the Indenture or the Financing Agreement.

“Act” means the Zenovich-Moscone-Chacon Housing and Home Finance Act, consisting of Parts 1 through 4 of Division 31 of the California Health and Safety Code, as now in effect and as it may be supplemented from time to time.

“Administration Fund” means the Administration Fund established by the Trustee pursuant to the Indenture.

“Administrative General Partner” means Lakeshore Villa AGP LLC, a Delaware limited liability company.

“Authorized Denomination” means \$5,000 principal amount or any integral multiple thereof within a maturity.

“Authorized Officer” means (a) when used with respect to the Issuer, any member of the Board of Directors of the Issuer or any other person designated to act on behalf of the Issuer by the Bond Resolution, (b) when used with respect to the Borrower, both Russell Condas and Mark Wiese on behalf of the general partners of the Borrower and such additional Person or Persons, if any, duly designated by the Borrower in writing to act on its behalf, (c) when used with respect to the Trustee, any authorized signatory of the Trustee, or any Person who is authorized in writing to take the action in question on behalf of the Trustee, (d) when used with respect to the Servicer, any Person or Persons duly designated by the Servicer in writing to act on its behalf, and (e) when used with respect to the Credit Facility Provider, any Person who is authorized in writing to take the action in question on behalf of the Credit Facility Provider.

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy,” as now and thereafter in effect, or any successor federal statute.

“Bond Counsel” means (a) on the Delivery Date, the law firm or law firms delivering the approving opinion(s) with respect to the Bonds, or (b) any other firm of attorneys selected by the Issuer that is experienced in matters relating to the issuance of obligations by states and their political subdivisions that is listed as municipal bond attorneys in The Bond Buyer’s Municipal Marketplace and is acceptable to the Credit Facility Provider.

“Bond Fee Component” means the regular, ongoing fees due from time to time to the Issuer, the Trustee, the Dissemination Agent, the Custodian and the Rebate Analyst, if any, expressed as a flat, fixed amount or in terms of a percentage of the principal amount of Outstanding Bonds (including Purchased Bonds) on an annual basis.

“Bond Financing Documents” means, collectively, the Indenture, the Bonds, the Financing Agreement, the Tax Regulatory Agreement, the Tax Certificate, the Continuing Disclosure Agreement and any Bond Mortgage Loan Documents not otherwise included in the foregoing list of documents.

“Bond Fund” means the Bond Fund established by the Trustee pursuant to the Indenture.

“Bond Mortgage” means the Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (Bond Mortgage) dated as of the date of the Indenture, together with all riders and addenda thereto, granting a first priority mortgage and security interest in the Project to the Issuer to secure the repayment of the Bond Mortgage Loan which Bond Mortgage will be assigned by the Issuer to the Trustee as the same may be amended, supplemented or restated.

“Bond Mortgage Loan” means the loan made by the Issuer to the Borrower in the original principal amount of \$46,500,000* pursuant to the Financing Agreement.

“Bond Mortgage Loan Documents” means the Bond Mortgage, the Bond Mortgage Note, the Financing Agreement, the Tax Regulatory Agreement, any Custodial Escrow Agreement, the Credit Facility, the Reimbursement Agreement, the Rehabilitation Escrow Agreement, the Reimbursement Mortgage, the Intercreditor Agreement, the Pledge Agreement and any and all other instruments and other documents evidencing, securing, or otherwise relating to the Bond Mortgage Loan or any portion thereof, or evidencing, securing or otherwise relating to the Borrower’s obligations to the Credit Facility Provider in connection with the delivery of the Credit Facility.

“Bond Mortgage Loan Fund” means the Bond Mortgage Loan Fund established by the Trustee pursuant to the Indenture.

“Bond Mortgage Note” means the Bond Mortgage Note dated the Delivery Date from the Borrower, including all riders and addenda thereto, evidencing the Borrower’s obligation to repay the Bond Mortgage Loan, as the same may be amended, supplemented or restated from time to time, which Bond Mortgage Note will be delivered to the Issuer and endorsed by the Issuer to the Trustee.

“Bond Register” means the books or other records maintained by the Bond Registrar setting forth the registered Holders from time to time of the Bonds.

“Bond Registrar” means the Trustee acting as such, and any other bond registrar appointed pursuant to the Indenture.

“Bond Resolution” means the resolution adopted by the Issuer authorizing the issuance of the Bonds.

“Bond Year” means, with respect to an issue of Bonds, each one-year period that ends at the close of business on the day in the calendar year that is selected by the Borrower as indicated in the Tax Certificate. The first and last Bond Years may be short periods. If no day is selected by the Borrower before the earlier of the final maturity of an issue of Bonds or the date that is five years after the Delivery Date of such issue of Bonds, each Bond Year ends on each anniversary of the Delivery Date for such issue of Bonds and on the final maturity of such issue of Bonds.

“Bondholder” or “Holder” or “Owner” means any Person who shall be the registered owner of any Outstanding Bond or Bonds.

“Bonds” means the California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Bonds (Lakeshore Villa Apartments) 2026 Issue KK issued pursuant to the provisions of the Indenture.

* Preliminary, subject to change.

“Borrower” means Lakeshore Villa Apartments LP, a California limited partnership, duly organized and existing under the laws of the State of California or any of its permitted successors or assigns, as owner of the Project.

“Borrower Equity Account” means the Borrower Equity Account of the Bond Mortgage Loan Fund established by the Trustee pursuant to the Indenture.

“Borrower Equity Deposit” means \$_____, which deposit shall be comprised of sources other than the proceeds of the Bonds.

“Business Day” means (1) any day other than (a) a Saturday, (b) a Sunday, (c) a day on which the Federal Reserve Bank of New York (or other agent acting as the Credit Facility Provider’s fiscal agent identified to the Trustee) is authorized or obligated by law or executive order to remain closed, (d) a day on which the Principal Office of the Credit Facility Provider is closed, or (2) a day on which (i) banking institutions in the City of New York or in the city in which the Principal Office of the Trustee or the Credit Facility Provider is located are authorized or obligated by law or executive order to be closed or (ii) the New York Stock Exchange is closed.

“Certificate of the Issuer” and “Request of the Issuer” mean, respectively, a written certificate or request signed in the name of the Issuer by an Authorized Officer of the Issuer or such other Person as may be designated and authorized to sign for the Issuer. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

“Commitment” means the commitment from Freddie Mac to the Servicer pursuant to which Freddie Mac has agreed to provide credit enhancement for the Bond Mortgage Loan, as the same may be amended, modified or supplemented from time to time.

“Continuing Disclosure Agreement” means an agreement to be entered into by the Borrower and the Dissemination Agent, as such Continuing Disclosure Agreement may from time to time be amended or supplemented.

“Cost,” “Costs” or “Costs of the Project” means costs paid with respect to the Project that (i) are properly chargeable to capital account (or would be so chargeable with a proper election by the Borrower or but for a proper election by the Borrower to deduct such costs) in accordance with general federal income tax principles and in accordance with United States Treasury Regulations Section 1.103-8(a)(1), (ii) are paid with respect to a qualified residential rental project or projects within the meaning of Section 142(d) of the Code, (iii) are paid after the earlier of sixty (60) days prior to the date of a resolution of the Issuer to reimburse costs of the Project with proceeds of Bonds or the date of issue of the Bonds, and (iv) if the Costs of the Project were previously paid and are to be reimbursed with proceeds of the Bonds such costs were (A) costs of issuance of the Bonds, (B) preliminary capital expenditures (within the meaning of United States Treasury Regulations Section 1.150-2(f)(2)) with respect to the Project (such as architectural, engineering and soil testing services) incurred before commencement of acquisition or rehabilitation of the Project that do not exceed twenty percent (20%) of the issue price of the Bonds (as defined in United States Treasury Regulations Section 1.148-1), or (C) were capital expenditures with respect to the Project that are reimbursed no later than eighteen (18) months after the later of the date the expenditure was paid or the date the Project is placed in service (but no later than three (3) years after the expenditure is paid); provided

however, that if any portion of the Project is being constructed or developed by the Borrower or an Affiliate (whether as a developer, a general contractor or a subcontractor), “Cost,” “Costs” or “Costs of the Project” shall include only (a) the actual out-of-pocket costs incurred by the Borrower or such Affiliate in developing or constructing the Project (or any portion thereof), (b) any reasonable fees for supervisory services actually rendered by the Borrower or such Affiliate (but excluding any profit component) and (c) any overhead expenses incurred by the Borrower or such Affiliate which are directly attributable to the work performed on the Project, and shall not include, for example, intercompany profits resulting from members of an affiliated group (within the meaning of Section 1504 of the Code) participating in the acquisition, rehabilitation or development of the Project or payments received by such Affiliate due to early completion of the Project (or any portion thereof).

“Costs of Issuance” means (i) the fees (excluding ongoing fees), costs and expenses of (a) the Issuer, the Issuer’s counsel and the Issuer’s financial advisor, (b) the Underwriter (including discounts to the Underwriter or other purchasers of the Bonds, other than original issue discount, incurred in the issuance and sale of the Bonds) and the Underwriter’s counsel, (c) Bond Counsel, (d) the Trustee and the Trustee’s counsel, (e) the Servicer and the Servicer’s counsel, (f) the Credit Facility Provider and the Credit Facility Provider’s counsel, (g) Borrower’s counsel attributable to the issuance of the Bonds and the Borrower’s financial advisor, if any, and (h) the Rating Agency, (ii) costs of printing the offering documents relating to the sale of the Bonds and (iii) all other fees, costs and expenses directly associated with the authorization, issuance, sale and delivery of the Bonds, including, without limitation, printing costs, costs of reproducing documents, filing and recording fees.

“Costs of Issuance Deposit” means the deposit to be made by the Borrower with the Trustee on the Delivery Date, which deposit shall equal the amount described in the Indenture and may be comprised of sources other than the proceeds of the Bonds.

“Cost of Issuance Fund” means the Cost of Issuance Fund established by the Trustee pursuant to the Indenture.

“Credit Enhancement Agreement” means the Credit Enhancement Agreement dated as of the date of the Indenture between Freddie Mac and the Trustee, as such Credit Enhancement Agreement may from time to time be amended or supplemented.

“Credit Facility” means the Credit Enhancement Agreement.

“Credit Facility Account” means the Credit Facility Account of the Revenue Fund established by the Trustee pursuant to the Indenture.

“Credit Facility Interest Reimbursement Account” means the Credit Facility Interest Reimbursement Account of the Credit Facility Reimbursement Fund established by the Trustee, for the benefit of Freddie Mac, pursuant to the Indenture.

“Credit Facility Principal Reimbursement Account” means the Credit Facility Principal Reimbursement Account of the Credit Facility Reimbursement Fund established by the Trustee, for the benefit of Freddie Mac, pursuant to the Indenture.

“Credit Facility Provider” means Freddie Mac, or its successor or assigns.

“Credit Facility Reimbursement Fund” means the Credit Facility Reimbursement Fund established by the Trustee, for the benefit of Freddie Mac, pursuant to the Indenture.

“Custodial Escrow Account” means, collectively, the account or accounts established and held by the Servicer, in accordance with the Guide or otherwise, for the purpose of funding (a) escrows for taxes, insurance and related payments and costs, if required by the Credit Facility Provider, (b) a reserve for replacements for the Project, if required by the Credit Facility Provider, and (c) a debt service reserve for the Bond Mortgage Loan, if required by the Credit Facility Provider.

“Custodial Escrow Agreement” means any agreement (which agreement may be the Guide or the Commitment as applicable) pursuant to which a Custodial Escrow Account is established and maintained.

“Custodian” means U.S. Bank Trust Company, National Association, not in its individual capacity but solely in its capacity as collateral agent for the Credit Facility Provider under the Pledge Agreement, and any successor in such capacity.

“Delivery Date” means October __, 2026, the date of initial delivery of the Bonds to the initial purchasers thereof against payment therefor.

“Dissemination Agent” means initially U.S. Bank Trust Company, National Association, or any dissemination agent subsequently appointed in accordance with the Continuing Disclosure Agreement.

“Dissemination Agent’s Fee” means the annual or semi-annual fees to the Dissemination Agent as compensation for the Dissemination Agent’s services under the Continuing Disclosure Agreement, which fee(s) shall not exceed \$500 during any twelve-month period.

“DTC” means The Depository Trust Company, Brooklyn, New York, as initial Securities Depository for the Bonds pursuant to the Indenture or its successors.

“Electronic Notice” means delivery of written instructions, directions and/or notice in a Word format or a Portable Document Format (PDF) by electronic mail to the electronic mail addresses listed in the Indenture; provided, that if a sender receives notice that the electronic mail is undeliverable, notice must be sent as otherwise required by the Indenture.

“Eligible Funds” means (a) proceeds received pursuant to the Credit Facility, (b) proceeds of the Bonds received contemporaneously with the issuance and sale of the Bonds (including any Bond proceeds deposited to the Project Account of the Bond Mortgage Loan Fund on the Delivery Date), (c) proceeds from the investment or reinvestment of money described in clauses (a) and (b) above, or (d) money delivered to the Trustee and accompanied by a written opinion of nationally recognized counsel experienced in bankruptcy matters to the effect that if the Borrower, any general partner, member or guarantor of the Borrower, or the Issuer were to become a debtor in a proceeding under the Bankruptcy Code (i) payment of such money to holders of the Bonds would not constitute a voidable preference under Section 547 of the Bankruptcy Code and (ii) the automatic stay provisions of Section 362(a) of the Bankruptcy Code would not prevent application of such money to the payment of the Bonds.

“Event of Default” or “event of default” means any of those events specified in and defined by the applicable provisions of the Indenture to constitute an event of default.

“Extraordinary Services” means and includes, but not by way of limitation, services, actions and things carried out and all expenses incurred by the Trustee, including in its capacity as Paying Agent and Bond Registrar, in respect of or to prevent default under the Indenture or the Bond Mortgage Loan Documents, including any reasonable attorneys’ or agents’ fees and expenses and other litigation costs that are entitled to reimbursement under the terms of the Financing Agreement, and other actions taken and

carried out by the Trustee which are not expressly set forth in the Indenture or the Bond Mortgage Loan Documents.

“Extraordinary Servicing Fees and Expenses” means all fees and expenses of the Servicer under the Guide during any Bond Year in excess of Ordinary Servicing Fees and Expenses.

“Extraordinary Trustee’s Fees and Expenses” means all those fees, expenses and disbursements earned or incurred by the Trustee as described under the Indenture during any Bond Year for Extraordinary Services, as set forth in a detailed invoice to the Borrower and the Credit Facility Provider.

“Fair Market Value” means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm’s length transaction (as referenced above) if (a) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (b) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (c) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (d) any commingled investment fund in which the Issuer and related parties do not own more than a ten percent (10%) beneficial interest in the Indenture if the return paid by the fund is without regard to the source of investment.

“Financing Agreement” means the Financing Agreement dated as of October 1, 2026, among the Borrower, the Issuer and the Trustee, as such Financing Agreement may from time to time be amended or supplemented.

“Freddie Mac” means the Federal Home Loan Mortgage Corporation, a shareholder owned government sponsored enterprise organized and existing under the laws of the United States of America, and its successors and assigns.

“Freddie Mac Credit Enhancement Fee” shall have the meaning given to that term in the Reimbursement Agreement.

“Freddie Mac Credit Enhancement Payment” shall have the meaning given to that term in the Credit Enhancement Agreement.

“Freddie Mac Reimbursement Amount” shall have the meaning given to that term in the Reimbursement Agreement.

“General Account” means the General Account of the Revenue Fund established by the Trustee pursuant to the Indenture.

“Government Obligations” means investments meeting the requirements of clause (a) or (b) of the definition of “Qualified Investments” in the Indenture.

“Guaranteed Payment” shall have the meaning given to that term in the Credit Enhancement Agreement.

“Guarantor Indemnification” means the Guarantor Indemnification dated as of the Delivery Date, and executed by LAC Guarantor Holdings LLC, a Delaware limited liability company, as the same may be amended, modified or supplemented from time to time.

“Guide” means the Freddie Mac Multifamily Seller/Servicer Guide, as the same may be amended, modified or supplemented from time to time.

“Indenture” means the Trust Indenture, as the same may have been from time to time amended or modified, together with any other indentures supplemental thereto.

“Information Service” means in accordance with then current guidelines of the Securities and Exchange Commission, the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended, or any successor entity or entities designated by the Securities and Exchange Commission.

“Intercreditor Agreement” means the Intercreditor Agreement dated as of the date of the Indenture, among the Issuer, the Trustee and Freddie Mac, as the same may be amended or supplemented.

“Interest Payment Date” means (i) May 1 and November 1 of each year, commencing May 1, 2027* (ii) for Bonds subject to redemption but only with respect to such Bonds, the date of redemption (or purchase in lieu of redemption), and (iii) the Maturity Date.

“Investment Income” means the earnings and profits derived from the investment of money pursuant to the Indenture.

“Investor Limited Partner” means Berkadia Lakeshore Villa Apartments MTE LP, a Delaware limited partnership, together with its successors and assigns.

“Issuer” means the California Housing Finance Agency, a public instrumentality and political subdivision of the State created by the Act, together with its successors and assigns.

“Issuer Fee” means the fees and expenses set forth in the Tax Regulatory Agreement.

“Issuer Issuance Fee” has the meaning set forth in the Tax Regulatory Agreement.

“Managing General Partner” means PacH Roseville II Holdings, LLC, a California limited liability company.

“Market Risk Event” means (a) legislation enacted by the Congress, (b) a final non appealable decision rendered by a court established under Article III of the Constitution of the United States of America, or the United States Tax Court, or (c) an order, ruling or regulation issued by the United States Department of the Treasury or the Internal Revenue Service, with the purpose or effect, directly or indirectly, of causing interest received by any Bondholder (other than a Bondholder who is a “substantial user” of the Project or a “related person” of a substantial user (each within the meaning of Section 147(a) of the Code)) to be included in the gross income of such Bondholder for purposes of federal income taxation.

* Preliminary, subject to change.

“Maturity Date” means the maturity date of the Bonds set forth in the Indenture and on the inside cover page of this Official Statement.

“Moody’s” means Moody’s Investors Service, Inc., its successors and assigns, if such successors and assigns continue to perform the services of a securities rating agency.

“Net Proceeds” when used with respect to any insurance or condemnation award, means the proceeds from the insurance or condemnation award with respect to which that term is used remaining after payment of all reasonable expenses incurred in the collection of such insurance proceeds or condemnation award, including reasonable attorneys’ fees.

“Official Statement” means this Official Statement dated October __, 2026 relating to the sale and issuance of the Bonds, as the same may be supplemented or amended.

“Ordinary Servicing Fees and Expenses” means the ordinary fees payable to the Servicer in connection with the servicing of the Bond Mortgage Loan under the Guide, payable monthly in arrears as provided in the Reimbursement Agreement.

“Ordinary Trustee’s Fees and Expenses” means the annual administration fee for the Trustee’s ordinary fees and expenses in rendering its services under the Indenture during each twelve-month period, which fee is equal to (and shall not exceed) \$2,500 and shall be payable annually in advance on the Delivery Date and each October 1 thereafter.

“Outstanding” when used with respect to the Bonds or “Bonds Outstanding” means, as of any date, all Bonds that have been duly authenticated and delivered by the Trustee under the Indenture, except:

- (i) Bonds surrendered and replaced upon exchange or transfer, or cancelled because of payment or redemption, at or prior to such date;

- (ii) Bonds for the payment, redemption or purchase for cancellation of which sufficient money has been deposited prior to such date with the Trustee (whether upon or prior to the maturity, amortization or redemption date of any such Bonds), or which are deemed to have been paid and discharged pursuant to the provisions of the Indenture; provided that if such Bonds are to be redeemed prior to the maturity thereof, other than by scheduled amortization, notice of such redemption shall have been given or arrangements satisfactory to the Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee;

- (iii) Bonds in lieu of which others have been authenticated (or payment, when due, of which is made without replacement) under the Indenture; and also except that

- (iv) For the purpose of determining whether the holders of the requisite amount of Bonds Outstanding have made or concurred in any notice, request, demand, direction, consent, approval, order, waiver, acceptance, appointment or other instrument or communication under or pursuant to the Indenture, Bonds known to the Trustee to be owned by or for the account of the Borrower or any Person owned, controlled by, under common control with or controlling the Borrower shall be disregarded and deemed to be not Outstanding, unless all Bonds shall be so owned, and provided that the Trustee has knowledge of the foregoing; provided, further, that all Purchased Bonds shall be deemed to be Outstanding, and the Trustee shall follow any direction provided by the Credit Facility Provider with respect to Purchased Bonds for the purposes of the Indenture (Bonds so owned which have been pledged in good faith may be regarded as Outstanding

if the pledgee shall establish, to the satisfaction of the Trustee, the pledgee's right to vote such Bonds, and in the event of a dispute as to the existence of such right, any decision by the Trustee taken upon the advice of counsel shall constitute full protection to the Trustee). The term "control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise. Beneficial ownership of 5% or more of a class of securities having general voting power to elect a majority of the board of directors of a corporation shall be conclusive evidence of control of such corporation.

"Paying Agent" means the Trustee acting as such, or any other paying agent appointed pursuant to the Indenture.

"Person" means an individual, a corporation, a partnership, an association, a joint stock company, a joint venture, a trust, an unincorporated association, a limited liability company or a government or any agency or political subdivision thereof, or any other organization or entity (whether governmental or private).

"Pledge Agreement" means that certain Pledge, Security and Custody Agreement dated as of the date of the Indenture by and among Freddie Mac, the Custodian, and the Borrower, as originally executed or as modified or amended from time to time.

"Principal Office of the Credit Facility Provider" means the office of Freddie Mac located at 8100 Jones Branch Drive, McLean, Virginia 22102, or such other office or offices as Freddie Mac may designate in writing from time to time.

"Principal Office of the Trustee" means the office of the Trustee referenced in the Indenture, or such other office or offices as the Trustee may designate in writing from time to time, or the office of any successor Trustee where it principally conducts its business of serving as trustee under indentures pursuant to which municipal or governmental obligations are issued.

"Project" means, collectively, the land and residential rental apartment units, and related fixtures, equipment, furnishings and site improvements known as Lakeshore Villa Apartments located at 6888 Golferest Drive, San Diego, California 92119, including the real estate described in the Bond Mortgage.

"Project Account" means the Project Account of the Bond Mortgage Loan Fund established by the Trustee pursuant to the Indenture.

"Purchase Price" means, with respect to any Bond to be purchased pursuant to the Indenture, the principal amount of such Bond plus any redemption premium due thereon plus interest accrued thereon to the Settlement Date.

"Purchased Bond" means any Bond during the period from and including the date of its purchase by the Trustee on behalf of the Borrower pursuant to the Indenture with amounts provided by the Credit Facility Provider under the Credit Facility or from other Eligible Funds, to, but excluding, the date on which such Bond is (a) transferred pursuant to and in accordance with the Indenture or (b) redeemed or otherwise cancelled.

"Purchased Bonds Account" means the Purchased Bonds Account of the Bond Fund established by the Trustee pursuant to the Indenture.

“Qualified Investments” means any of the following if and to the extent permitted by law: (a) direct and general obligations of the United States of America; (b) obligations of any agency or instrumentality of the United States of America the payment of the principal of and interest on which are unconditionally guaranteed by the full faith and credit of the United States of America; (c) senior debt obligations of Freddie Mac; (d) senior debt obligations of Fannie Mae; (e) demand deposits or time deposits with, or certificates of deposit issued by, the Trustee or its affiliates or any bank organized under the laws of the United States of America or any state or the District of Columbia which has combined capital, surplus and undivided profits of not less than \$50,000,000; provided that the Trustee or such other institution has been rated at least “VMIG 1”/“A 1+” by Moody’s/S&P which deposits or certificates are fully insured by the Federal Deposit Insurance Corporation or collateralized pursuant to the requirements of the Office of the Comptroller of the Currency; (f) investment agreements with Freddie Mac or a bank or any insurance company or other financial institution which has a rating assigned by Moody’s or S&P to its outstanding long term unsecured debt which is the highest rating (as defined below) for long term unsecured debt obligations assigned by Moody’s or S&P, and which are approved by the Credit Facility Provider; (g) shares or units in any money market mutual fund rated “Aaa”/“AAA” by Moody’s or S&P (or if a new rating scale is implemented, the equivalent rating category given by the Rating Agency for that general category of security) (including mutual funds of the Trustee or its affiliates or for which the Trustee or an affiliate thereof serves as investment advisor or provides other services to such mutual fund receives reasonable compensation therefor) registered under the Investment Company Act of 1940, as amended, whose investment portfolio consists solely of (A) direct obligations of the government of the United States of America, or (B) tax exempt obligations; (h)(i) tax exempt obligations rated in the highest short term rating category by Moody’s or S&P, or (ii) shares of a tax-exempt municipal money market mutual fund or other collective investment fund registered under the federal Investment Company Act of 1940, whose shares are registered under the federal Securities Act of 1933, having assets of at least \$100,000,000, and having a rating of “Aaa”/“AAA” by Moody’s or S&P (or if a new rating scale is implemented, the equivalent rating category given by the Rating Agency for that general category of security), for which at least 95% of the income paid to the holders on interest in such money market fund will be excludable from gross income under Section 103 of the Code, including money market funds for which the Trustee or its affiliates receive a fee for investment advisory or other services to the fund; or (i) any other investments approved in writing by the Credit Facility Provider. For purposes of this definition, the “highest rating” shall mean a rating of at least “VMIG 1”/“A 1+” for obligations with less than one year maturity; at least “Aaa”/“VMIG 1”/“AAA”/“A 1+” for obligations with a maturity of one year or greater but less than three years; and at least “Aaa”/“AAA” for obligations with a maturity of three years or greater. Qualified Investments must be limited to instruments that have a predetermined fixed dollar amount of principal due at maturity that cannot vary or change and interest, if tied to an index, shall be tied to a single interest rate index plus a single fixed spread, if any, and move proportionately with such index.

“Rating Agency” means each national rating agency then maintaining a rating on the Bonds, or any successor or assign thereof.

“Rebate Analyst” means a certified public accountant, financial analyst or bond counsel, or any firm of the foregoing, or financial institution (which may include the Trustee) experienced in making the arbitrage and rebate calculations required pursuant to Section 148 of the Code, selected and retained by the Borrower at the expense of the Borrower, with the prior written consent of the Issuer, to make the computations required under the Indenture and the Financing Agreement. Initially, the Rebate Analyst will be Tiber Hudson LLC.

“Rebate Fund” means the Rebate Fund established by the Trustee pursuant to the Indenture.

“Record Date” means the 15th day of the month preceding the month in which any Interest Payment Date falls.

“Redemption Fund” means the Redemption Fund established by the Trustee pursuant to the Indenture.

“Rehabilitation Escrow Agreement” means the Rehabilitation Escrow Agreement dated as of October 1, 2026, between the Borrower and Freddie Mac, as the same may be amended, modified or supplemented from time to time.

“Reimbursement Agreement” means the Reimbursement and Security Agreement dated as of October 1, 2026 between the Borrower and Freddie Mac, as the same may be amended, supplemented or restated from time to time.

“Reimbursement Mortgage” means the Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (Reimbursement Mortgage) dated as of October 1, 2026 from the Borrower to Freddie Mac, together with all riders and addenda thereto, granting a second priority mortgage and security interest in the Project to Freddie Mac to secure the obligations of the Borrower under the Reimbursement Agreement and all documents related thereto, as the same may be amended, supplemented or restated from time to time.

“Reimbursement Security Documents” has the meaning given to that term in the Reimbursement Agreement.

“Requisition” means, with respect to the Bond Mortgage Loan Fund, the requisition in the form of an exhibit attached to the Indenture required to be submitted in connection with disbursements from the Project Account and/or the Borrower Equity Account of the Bond Mortgage Loan Fund, and with respect to the Cost of Issuance Fund, the requisition in the form of an exhibit attached to the Indenture required to be submitted in connection with disbursements from the Cost of Issuance Fund.

“Responsible Officer” means any officer of the Trustee employed within or otherwise having regular responsibility in connection with the corporate trust department of the Trustee and the trusts created under the Indenture.

“Revenue Fund” means the Revenue Fund established by the Trustee pursuant to the Indenture.

“Revenues” means (a) all payments made with respect to the Bond Mortgage Loan pursuant to the Financing Agreement, the Bond Mortgage Note or the Bond Mortgage, including all casualty or other insurance benefits and condemnation awards paid in connection therewith (subject in all events to the interests of the Credit Facility Provider therein under the terms of the Credit Facility and the Reimbursement Security Documents), (b) payments made by the Credit Facility Provider pursuant to the Credit Facility and (c) all money and securities held by the Trustee in the funds and accounts established pursuant to the Indenture (excluding money or securities designated for deposit into and held in the Cost of Issuance Fund, the Administration Fund, the Borrower Equity Account, the Credit Facility Reimbursement Fund and the Rebate Fund), together with all investment earnings thereon.

“S&P” means S&P Global Ratings, a Standard & Poor’s Financial Services LLC business, and its successors and assigns, if such successors and assigns continue to perform the services of a securities rating agency.

“Securities Depository” means (a) The Depository Trust Company; or (b) any replacement registered securities depository which has been designated in a certificate of the Issuer delivered to the Trustee and the Credit Facility Provider pursuant to the Indenture.

“Servicer” means the eligible servicing institution designated by Freddie Mac from time to time (which may be Freddie Mac if Freddie Mac elects to service the Bond Mortgage Loan), or its successor, as servicer of the Bond Mortgage Loan. Initially, the Servicer shall be Berkadia Commercial Mortgage, LLC, a Delaware limited liability company.

“Settlement Date” means any date on which any Bond is purchased or deemed purchased pursuant to the Indenture.

“State” means the State of California.

“Tax Certificate” means the Tax Certificate and Agreement executed by the Issuer and the Borrower on the Delivery Date.

“Tax Regulatory Agreement” means the Regulatory Agreement and Declaration of Restrictive Covenants, dated as of October 1, 2026, among the Issuer, the Trustee and the Borrower, as the same may be amended, restated and/or supplemented.

“Title Company” shall mean Royal Abstract National LLC.

“Trust Estate” shall have the meaning given to that term in the granting clauses of the Indenture.

“Trustee” means U.S. Bank Trust Company, National Association, and its successors in trust under the Indenture.

“Unassigned Rights” means all of the rights of the Issuer and its directors, officers, commissioners, elected officials, attorneys, accountants, employees, agents and consultants to be held harmless and indemnified under the Bond Financing Documents and the Guarantor Indemnification, to be paid its fees and expenses, to give or withhold consent to amendments, changes, modifications and alterations, to receive notices and the right to enforce such rights.

“Underwriter” means Stifel, Nicolaus & Company, Incorporated.

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APPENDIX B

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a brief summary of certain provisions of the Indenture. This summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Indenture, copies of which are on file with the Trustee.

All terms not otherwise defined below shall have the meaning given to such terms as an exhibit attached to the Official Statement.

The Bonds

The Bonds are authorized to be issued under the Indenture as revenue bonds of the Issuer in accordance with the Bond Resolution. The Bonds shall be fully registered as to principal and interest, without coupons, and shall be numbered by series, if any, in the manner and with any additional designation as the Trustee, as Bond Registrar, deems necessary for the purpose of identification. All of the Bonds are equally and ratably secured. Bonds issued on the Delivery Date shall be dated such date; Bonds issued after the Delivery Date shall be dated the date they are authenticated by the Trustee. The Bonds shall be due and payable in full on the Maturity Date.

Interest on the Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Interest on the Bonds shall be payable on each Interest Payment Date, in each case from the Interest Payment Date next preceding the date of authentication thereof to which interest has been paid or duly provided for, unless the date of authentication is an Interest Payment Date to which interest has been paid or duly provided for, in which case from the date of authentication of the Bonds, or unless no interest has been paid or duly provided for on the Bonds, in which case from the Delivery Date, until payment of the principal of the Bonds has been made or duly provided for. Notwithstanding the foregoing, if a Bond is authenticated after a Record Date and before the following Interest Payment Date, such Bond shall bear interest from such Interest Payment Date; provided, however, that if there shall be a default in the payment of interest due on such Interest Payment Date, then the Bonds shall bear interest from the next preceding Interest Payment Date to which interest has been paid or duly provided for, or, if no interest has been paid or duly provided for on the Bonds, from the Delivery Date.

The Bonds shall be issued in Authorized Denominations and shall bear interest payable on each Interest Payment Date at the rate(s) per annum and shall mature, subject to redemption prior to maturity as provided on the date(s) set forth in the Indenture.

Execution; Limited Obligations

The Bonds shall be signed by, or bear the facsimile or manual signature of, the Executive Director or Director of Financing of the Issuer, and attested to by the manual or facsimile signature of the Secretary of the Board of Directors of the Issuer. In case any one or more of the officers of the Issuer who shall have signed any of the Bonds or whose signature appears on any of the Bonds shall cease to be such officer before the Bonds so signed shall have been actually authenticated or delivered or caused to be delivered by the Trustee or issued by the Issuer, such Bonds may, nevertheless, be authenticated by the Trustee and issued and, upon such authentication, delivery and issue, shall be as binding upon the Issuer as if the persons who signed such Bonds or whose signatures appear on any of the Bonds had not ceased to hold such office until such delivery. Any Bond may be signed on behalf of the Issuer by such persons as at the actual time of execution of the Bonds shall be duly authorized or hold the proper office in the Issuer, although at the

date of issuance and delivery of the Bonds such persons may not have been so authorized or have held such office.

THE BONDS THEREON ARE LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED THEREFOR UNDER THE INDENTURE. NEITHER THE ISSUER, ANY OF ITS MEMBERS, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF (EXCEPT THE ISSUER, TO THE LIMITED EXTENT SET FORTH IN THE INDENTURE) SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THE BONDS OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER EXCEPT AS SET FORTH IN THE INDENTURE, AND NONE OF THE BONDS OR ANY OF THE ISSUER'S AGREEMENTS OR OBLIGATIONS SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE FOREGOING, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE ISSUER HAS NO TAXING POWER.

The foregoing statement of limitation shall appear on the face of each Bond.

NO OFFICER, AGENT, EMPLOYEE OR ATTORNEY OF THE ISSUER, INCLUDING ANY PERSON EXECUTING THE INDENTURE OR THE BONDS, SHALL BE LIABLE PERSONALLY ON THE BONDS OR FOR ANY REASON RELATING TO THE ISSUANCE OF THE BONDS. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR THE INTEREST ON THE BONDS, OR FOR ANY CLAIM BASED ON THE BONDS, OR OTHERWISE IN RESPECT OF THE BONDS, OR BASED ON OR IN RESPECT OF THE INDENTURE, AGAINST ANY OFFICER, EMPLOYEE OR AGENT, AS SUCH, OF THE ISSUER OR ANY SUCCESSOR, WHETHER BY VIRTUE OF ANY CONSTITUTION, STATUTE OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY OR OTHERWISE, ALL SUCH LIABILITY BEING, AND AS PART OF THE CONSIDERATION FOR THE ISSUANCE OF THE BONDS, EXPRESSLY WAIVED AND RELEASED. The foregoing statement of limitation shall appear on the face of each Bond.

Establishment of Bond Mortgage Loan Fund; Application of Bond Proceeds and Other Money; Assignment of Bond Mortgage Loan to Trustee

The Trustee shall establish, maintain and hold in trust and there is established with the Trustee a Bond Mortgage Loan Fund and therein a Project Account and a Borrower Equity Account. No amount shall be charged against the Bond Mortgage Loan Fund except as expressly provided in this section and as described under "Bond Mortgage Loan Funds," below.

The proceeds of the sale of the Bonds shall be delivered to the Trustee on the Delivery Date. The Trustee shall deposit such proceeds to the credit of the Project Account of the Bond Mortgage Loan Fund as provided in the closing memorandum prepared by the Underwriter and approved by the Borrower. Amounts in the Bond Mortgage Loan Fund shall be disbursed as provided in the fourth paragraph below, subject to the conditions set forth in the Financing Agreement. Upon the disbursement of all amounts in the Bond Mortgage Loan Fund, the Trustee shall close the Bond Mortgage Loan Fund.

The Borrower will deliver to the Trustee, on or prior to the Delivery Date, the Costs of Issuance Deposit for deposit to the credit of the Cost of Issuance Fund as described under “Pledge of Revenues and Assets; Establishment of Funds,” below (it being understood that all amounts in respect of Costs of Issuance payable on the Delivery Date shall consist of legally available funds of the Borrower not constituting proceeds of the Bonds and will be deposited by the Borrower directly with the Title Company not later than the Delivery Date for disbursement in accordance with the closing memorandum prepared by the Underwriter and approved by the Borrower). The Trustee shall also deposit in the Borrower Equity Account any additional amounts delivered from time to time to the Trustee and directed by the Borrower or Servicer to be deposited therein, excluding any proceeds of the Bonds.

Upon the deposit of money to the credit of the Bond Mortgage Loan Fund, the Issuer shall originate the Bond Mortgage Loan pursuant to the Financing Agreement and the Trustee shall make disbursements of amounts in the Bond Mortgage Loan Fund to the Borrower or otherwise as provided under the heading “Bond Mortgage Loan Fund,” below, or as provided in the closing memorandum prepared by the Underwriter and approved by the Borrower.

Pledge of Revenues and Assets; Establishment of Funds

The pledge and assignment of and the security interest granted in the Trust Estate pursuant to the Granting Clauses of the Indenture shall attach, be perfected and be valid and binding from and after the time of the delivery of the Bonds by the Trustee or by any Person authorized by the Trustee to deliver the Bonds. The Trust Estate so pledged and then or thereafter received by the Trustee shall immediately be subject to the lien of such pledge, and security interest without any physical delivery thereof or further act, and the lien of such pledge and security interest shall be valid and binding and prior to the claims of any and all parties having claims of any kind in tort, contract or otherwise against the Issuer irrespective of whether such parties have notice thereof.

In addition to the Bond Mortgage Loan Fund established under “Establishment of Bond Mortgage Loan Fund; Application of Bond Proceeds and Other Money; Assignment of Bond Mortgage Loan to Trustee,” above, the Trustee shall establish, maintain and hold in trust the following funds and accounts, each of which is established by the Indenture and each of which shall be disbursed and applied only as authorized in the Indenture:

- (a) Revenue Fund, and within the Revenue Fund a General Account and a Credit Facility Account;
- (b) Bond Fund, and within the Bond Fund a Purchased Bonds Account;
- (c) Redemption Fund;
- (d) Administration Fund;
- (e) Costs of Issuance Fund;
- (f) Credit Facility Reimbursement Fund, and within the Credit Facility Reimbursement Fund a Credit Facility Principal Reimbursement Account and a Credit Facility Interest Reimbursement Account; and
- (g) Rebate Fund.

The funds and accounts established pursuant to this section shall be maintained in the corporate trust department of the Trustee as segregated trust accounts, separate and identifiable from all other funds held by the Trustee. The funds and accounts established under the Indenture shall bear a designation clearly indicating that the funds deposited therein are held for the benefit of (i) the Holders of the Bonds, respecting the Revenue Fund, the Bond Fund and the Redemption Fund, (ii) the Credit Facility Provider, respecting the Credit Facility Reimbursement Fund, (iii) the Borrower, respecting the Administration Fund and the Costs of Issuance Fund, and (iv) the Issuer, respecting the Rebate Fund. The Trustee shall, at the written direction of an Authorized Officer of the Issuer, and may, in its discretion, establish such additional accounts within any Fund, and subaccounts within any of the accounts, as the Issuer or the Trustee may deem necessary or useful for the purpose of identifying more precisely the sources of payments into and disbursements from that Fund and its accounts, or for the purpose of complying with the requirements of the Code relating to arbitrage, but the establishment of any such account or subaccount shall not alter or modify any of the requirements of the Indenture with respect to a deposit or use of money in the funds established under the Indenture, or result in commingling of funds not permitted under the Indenture.

Bond Mortgage Loan Fund

Deposit. The Trustee shall deposit the proceeds of the sale of the Bonds into the Project Account of the Bond Mortgage Loan Fund as provided in the second paragraph under “Establishment of Bond Mortgage Loan Fund; Application of Bond Proceeds and Other Money; Assignment of Bond Mortgage Loan to Trustee,” above. Except for the initial installment of Borrower equity, which shall be deposited with the Title Company, the Trustee shall deposit the Borrower Equity Deposit into the Borrower Equity Account of the Bond Mortgage Loan Fund, as well as any additional amounts delivered from time to time to the Trustee and directed by the Borrower or Servicer to be deposited therein (excluding any proceeds of the Bonds), as provided in the Indenture.

Disbursements. Amounts on deposit in the Bond Mortgage Loan Fund shall be disbursed (i) on the Delivery Date as set forth in the closing memorandum prepared by the underwriter for the Bonds (and accepted and agreed to by the Borrower) and (ii) thereafter, from time to time by the Trustee for the purpose of paying Project Costs (as defined in the Tax Regulatory Agreement), subject to the limitations in the Tax Certificate. In addition, amounts in the Bond Mortgage Loan Fund shall be transferred to the Redemption Fund, the Rebate Fund and the Borrower at the times and in the manner provided in this section.

Transfers and Requisitions. The Trustee shall make disbursements from the respective accounts of the Bond Mortgage Loan Fund for purposes described in this section only upon the receipt of Requisitions signed by an Authorized Officer of the Borrower and countersigned by an Authorized Officer of the Servicer (signifying the consent to the Requisition by the Servicer) or as provided in the closing memorandum prepared by the Underwriter and approved by the Borrower. The Trustee shall have no right or duty to determine whether any requested disbursement from the Bond Mortgage Loan Fund complies with the terms, conditions and provisions of the Rehabilitation Escrow Agreement. The countersignature of the Authorized Officer of the Servicer on a Requisition shall be deemed a certification and, insofar as the Trustee and the Issuer are concerned, constitute conclusive evidence, that all of the terms, conditions and requirements of the Rehabilitation Escrow Agreement applicable to such disbursement have been fully satisfied or waived. The Trustee shall, immediately upon each receipt of a completed Requisition signed by an Authorized Officer of the Borrower and countersigned by an Authorized Officer of the Servicer, initiate procedures with the provider of a Qualified Investment to make withdrawals as necessary to fund the Requisition.

Amounts on deposit in the Bond Mortgage Loan Fund shall be invested as provided under “Investment of Funds,” below. All Investment Income on amounts on deposit in the Bond Mortgage Loan Fund shall be retained in and credited to and become a part of the amounts on deposit in the Bond Mortgage Loan Fund, and shall constitute part of any transfers required by this section.

Application of Revenues

All Revenues shall be deposited by the Trustee, promptly upon receipt thereof, to the General Account of the Revenue Fund, except (i) the proceeds of the Bonds received by the Trustee on the Delivery Date, which shall be applied in accordance with the provisions under “Establishment of Bond Mortgage Loan Fund; Application of Bond Proceeds and Other Money; Assignment of Bond Mortgage Loan to Trustee,” above; (ii) amounts paid pursuant to the Credit Facility, which shall be deposited in the Credit Facility Account of the Revenue Fund; (iii) as otherwise specifically provided in this section with respect to certain deposits into the Redemption Fund; (iv) with respect to Investment Income to the extent required under the terms of the Indenture to be retained in the funds and accounts to which they are attributable; and (v) with respect to amounts required to be transferred between funds and accounts as provided in the Indenture.

On each Interest Payment Date or any other date on which payment of principal of or interest on the Bonds becomes due and payable, the Trustee, out of money in the Credit Facility Account and the General Account of the Revenue Fund, shall credit the following amounts to the following funds, but in the order and within the limitations thereafter indicated with respect thereto, as follows:

FIRST: to the Bond Fund from money in the Credit Facility Account of the Revenue Fund, an amount equal to the principal of and interest due on the Bonds on such date (excluding principal of and interest on any Purchased Bonds and excluding the principal constituting a mandatory sinking fund payment on any Bonds on such date);

SECOND: to the Redemption Fund from money in the Credit Facility Account of the Revenue Fund, an amount equal to the principal amount due and payable on the Bonds with respect to mandatory sinking fund redemption (excluding principal of any Purchased Bonds) on such date;

THIRD: to the Redemption Fund from money in the Credit Facility Account (i) amounts paid to the Trustee under the Credit Facility to be applied to the mandatory redemption of all or a portion of the Bonds pursuant to the Indenture (other than a mandatory sinking fund redemption) and (ii) amounts paid to the Trustee under the Credit Facility to be applied to the optional redemption of all or a portion of the Bonds pursuant to the Indenture; and

FOURTH: to the Purchased Bonds Account in the Bond Fund from money in the General Account, such amount as the Credit Facility Provider shall advise the Trustee is equal to the interest due on the Purchased Bonds on such date.

Promptly upon receipt, the Trustee shall deposit directly to the Redemption Fund (i) Net Proceeds representing casualty insurance proceeds or condemnation awards paid as a prepayment of the Bond Mortgage Loan, such amount to be applied to reimburse the Credit Facility Provider for a draw under the Credit Facility in such amount to provide for extraordinary mandatory redemption of all or a portion of the Bonds pursuant to the Indenture; (ii) Eligible Funds (other than draws under the Credit Facility) paid to the Trustee to be applied to the optional redemption of all or a portion of the Bonds pursuant to the Indenture; (iii) Eligible Funds (other than draws under the Credit Facility) paid to the Trustee to be applied to the payment of any redemption premium in connection with an optional redemption of all or a portion of the

Bonds pursuant to the Indenture; and (iv) amounts transferred to the Redemption Fund from the Bond Mortgage Loan Fund pursuant to the Indenture.

Should the amount in the Bond Fund be insufficient to pay the amount due on the Bonds on any given Interest Payment Date or other payment date after the transfers from the Credit Facility Account, the Trustee shall credit to the Bond Fund the amount of such deficiency by charging the following funds and accounts in the following order of priority: (1) the General Account of the Revenue Fund; and (2) the Redemption Fund, except no such charge to the Redemption Fund shall be made from money to be used to effect a redemption for which notice of redemption has been provided for or from money which is held for payment of Bonds which are no longer Outstanding under the Indenture.

At the written direction of the Borrower, and with the written consent of the Credit Facility Provider, together with a certificate setting forth that no default exists under the Bond Mortgage Loan Documents signed by the Servicer, Investment Income deposited into the General Account of the Revenue Fund shall be paid to the Borrower semi-annually on each Interest Payment Date, commencing with the first Interest Payment Date after the Completion Date (as defined in the Rehabilitation Escrow Agreement), so long as (i) there is no deficiency in the Credit Facility Reimbursement Fund, the Administration Fund, the Rebate Fund or any Custodial Escrow Account, (ii) no default exists under the Bond Mortgage Loan and (iii) no event of default exists under any of the Bond Mortgage Loan Documents.

Application of Bond Fund

The Trustee shall charge the Bond Fund, on each Interest Payment Date, an amount equal to the unpaid interest and principal due on the Bonds on such Interest Payment Date, and shall cause the same to be applied to the payment of such interest and principal when due (excluding principal on any Purchased Bond). Any money remaining in the Bond Fund on any Interest Payment Date after application as provided in the preceding sentence may, to the extent there shall exist any deficiency in the Redemption Fund to redeem Bonds called for mandatory sinking fund redemption on such Interest Payment Date, be transferred to the Redemption Fund to be applied for such purpose. Any balance remaining in the Bond Fund on the Business Day immediately succeeding an Interest Payment Date shall be transferred to the Servicer for payment to the Credit Facility Provider to be applied in accordance with the Reimbursement Agreement.

Any Investment Income on amounts on deposit in the Bond Fund shall be deposited by the Trustee upon receipt thereof in the General Account of the Revenue Fund.

No amount shall be charged against the Bond Fund except as expressly provided under "Application of Money After Default," below.

Application of Redemption Fund

Any money credited to the Redemption Fund shall be applied as set forth under "Application of Revenues," above; provided, however, that to the extent any money credited to the Redemption Fund from Eligible Funds (other than draws under the Credit Facility) is in excess of the amount necessary to effect the redemptions or purchase described in "Application of Revenues," above it shall be applied to make up any deficiency in the Bond Fund on any Interest Payment Date, to the extent money then available in accordance with "Application of Revenues," above in the General Account of the Revenue Fund is insufficient to make up such deficiency, provided that no money to be used to effect a redemption or purchase for which a conditional notice of redemption has been provided, the conditions of which have been satisfied, or an unconditional notice of redemption has been provided or money which is held for payment of Bonds which are no longer Outstanding under the Indenture shall be so transferred to the Bond Fund.

On or before each Interest Payment Date, any Investment Income on amounts on deposit in the Redemption Fund shall be credited by the Trustee to the General Account of the Revenue Fund.

No amount shall be charged against the Redemption Fund except as expressly provided in the Indenture.

Administration Fund

The Trustee shall deposit into the Administration Fund, promptly upon receipt thereof, all amounts received from the Servicer and the Borrower designated for deposit into such fund. Amounts in the Administration Fund shall be withdrawn or maintained, as appropriate, by the Trustee and used **FIRST**, to pay to the Trustee when due the Ordinary Trustee's Fees and Expenses; **SECOND**, to pay to the Issuer when due the Issuer Fee; **THIRD**, to pay when due the reasonable fees and expenses of a Rebate Analyst in connection with the computations relating to arbitrage rebate required under the Indenture and the Financing Agreement, upon receipt of an invoice from the Rebate Analyst; **FOURTH**, to deposit to any Custodial Escrow Account any deficiency in the amount held therein as certified in writing by the Servicer (or subsequent holder of such an account) to the Trustee; **FIFTH**, to pay to the Trustee any Extraordinary Trustee's Fees and Expenses due and payable from time to time, as set forth in an invoice submitted to the Borrower and the Credit Facility Provider; **SIXTH**, to pay to the Issuer any extraordinary expenses it may incur in connection with the Bonds or the Indenture from time to time, as set forth in an invoice submitted to the Trustee and the Credit Facility Provider; **SEVENTH**, to pay to the Credit Facility Provider any unpaid portion of the amounts due under the Reimbursement Agreement, as certified in writing by the Credit Facility Provider to the Trustee; **EIGHTH**, to pay to the Servicer any unpaid portion of the Ordinary Servicing Fees and Expenses and any Extraordinary Servicing Fees and Expenses due and owing from time to time, as set forth in an invoice submitted to the Trustee and the Credit Facility Provider; **NINTH**, to make up any deficiency in the Redemption Fund on any redemption date of Bonds, to the extent money then available in accordance with "Application of Revenues," above in the Redemption Fund is insufficient to redeem Bonds called for redemption on such redemption date; **TENTH**, to pay to the Dissemination Agent when due the Dissemination Agent's Fee; **ELEVENTH**, to pay to the Rating Agency when due the annual rating maintenance fee, if any, as set forth in an invoice submitted to the Trustee; and **TWELFTH**, to transfer any remaining balance after application as aforesaid to the General Account of the Revenue Fund.

In the event that the amounts on deposit in the Administration Fund are not equal to the amounts payable from the Administration Fund as provided in the preceding paragraph on any date on which such amounts are due and payable, the Trustee shall give notice to the Borrower of such deficiency and of the amount of such deficiency and request payment within two (2) Business Days to the Trustee of the amount of such deficiency. Upon payment by the Borrower of such deficiency, the amounts for which such deficiency was requested shall be paid by the Trustee.

On or before each Interest Payment Date, any Investment Income on amounts on deposit in the Administration Fund not needed to pay the foregoing amounts shall be credited by the Trustee to the General Account of the Revenue Fund.

The Indenture provides that no amount shall be charged against the Administration Fund except as expressly provided in the Indenture.

Credit Facility Reimbursement Fund

The Trustee shall deposit into the Credit Facility Interest Reimbursement Account of the Credit Facility Reimbursement Fund, promptly upon receipt thereof, all amounts received from the Servicer, including, but not limited to, scheduled monthly interest collections pursuant to the Reimbursement Agreement, designated for deposit into such account. Amounts on deposit in the Credit Facility Interest Reimbursement Account shall be applied by the Trustee to reimburse the Credit Facility Provider for amounts drawn under the Credit Facility to pay interest on the Bonds. On each Interest Payment Date, the Trustee, without the need for any further direction, shall pay to the Credit Facility Provider by no later than 2:30 p.m., Washington, D.C. time, from and to the extent of amounts on deposit in the Credit Facility Interest Reimbursement Account, an amount equal to the amount drawn by the Trustee under the Credit Facility to pay interest on the Bonds on such date.

The Trustee shall deposit into the Credit Facility Principal Reimbursement Account of the Credit Facility Reimbursement Fund, promptly upon receipt thereof, all amounts received from the Servicer designated for deposit into such account, including, but not limited to, scheduled monthly principal deposits pursuant to the Reimbursement Agreement. Amounts on deposit in the Credit Facility Principal Reimbursement Account shall be applied by the Trustee to reimburse the Credit Facility Provider for amounts drawn under the Credit Facility to pay principal on the Bonds. On each maturity date for the Bonds and each date the Bonds are subject to optional or mandatory redemption, the Trustee, without the need for any further direction, shall pay to the Credit Facility Provider by no later than 2:30 p.m., Washington, D.C. time, from and to the extent of amounts on deposit in the Credit Facility Principal Reimbursement Account, an amount equal to the principal amount drawn by the Trustee under the Credit Facility to pay or redeem Bonds in Authorized Denominations on such date.

In the event that the amounts on deposit in the respective accounts in the Credit Facility Reimbursement Fund are insufficient to reimburse the Credit Facility Provider (as provided in the Indenture) the full amount to be drawn under the Credit Facility to pay interest or principal on the Bonds, as applicable, the Trustee shall promptly give notice to the Credit Facility Provider, the Servicer and the Borrower of such deficiency and of the amount of such deficiency.

All Investment Income on amounts on deposit in the Credit Facility Reimbursement Fund shall be retained in and credited to and become a part of the amounts on deposit in the respective accounts in such fund. Provided that (as confirmed by the Trustee with the Servicer or the Credit Facility Provider) (i) there is no deficiency in the Credit Facility Reimbursement Fund, the Administration Fund, the Rebate Fund, or any Custodial Escrow Account, (ii) no Event of Default exists under the Bond Mortgage Loan, (iii) no Event of Default exists under the Indenture or under any of the other Borrower Documents (as defined in the Reimbursement Agreement), and (iv) the Credit Facility Provider has been fully reimbursed for amounts drawn on the Credit Facility, the Trustee, without the need for any further direction, shall pay such Investment Income to the Borrower on the Interest Payment Date next succeeding receipt thereof (after making all payments specified in the Indenture).

At the written direction of the Credit Facility Provider, the amounts on deposit in the Credit Facility Reimbursement Fund shall be used by the Trustee to pay any amounts required to be paid by the Borrower under any Bond Mortgage Loan Document, to pay any amounts owed to the Credit Facility Provider in connection with any loan purchased by the Credit Facility Provider and secured by the Project, or to pay any other amount agreed to in writing by the Borrower and the Credit Facility Provider; provided that the amounts on deposit in the Credit Facility Reimbursement Fund shall, upon the occurrence of an event of default under any Bond Mortgage Loan Document, be used in any manner and for any purpose specified by the Credit Facility Provider.

At the written request of the Borrower, the Credit Facility Provider, in its sole and absolute discretion, may (i) consent to the release of all or a portion of the amounts on deposit in the Credit Facility Reimbursement Fund to the Borrower (in which case the Trustee shall release such amounts to the Borrower, provided that if, in the judgment of the Rebate Analyst, the amount on deposit in the Rebate Fund at such time is less than the amount required under the Indenture to be rebated to the United States Department of the Treasury, then prior to any such release to the Borrower, any amounts on deposit in the Credit Facility Reimbursement Fund (up to the amount of such deficiency) shall be transferred to the Rebate Fund) and/or (ii) reduce or no longer require deposits to the Credit Facility Reimbursement Fund.

Any amounts remaining in the Credit Facility Reimbursement Fund after payment in full of the principal of and interest on the Bonds and reimbursement of the Credit Facility Provider for all amounts drawn under the Credit Facility shall be applied as provided in the Indenture.

Investment of Funds

The money held by the Trustee shall constitute trust funds for the purposes of the Indenture. Any money attributable to each of the funds and accounts under the Indenture shall be, except as otherwise expressly provided in the Indenture, invested by the Trustee, at the written direction of the Borrower (or, in the case of the Rebate Fund, subject to the Indenture), in Qualified Investments which mature or shall be subject to redemption or withdrawal at par without penalty on or prior to the earlier of (i) six months from the date of investment and (ii) the date such money is needed; provided, that if the Trustee shall have entered into any investment agreement requiring investment of money in any fund or account under the Indenture in accordance with such investment agreement and if such investment agreement constitutes a Qualified Investment, such money shall be invested in accordance with such requirements; provided further, that all amounts on deposit in the Credit Facility Reimbursement Fund and the Credit Facility Account of the Revenue Fund shall be held uninvested or shall be invested only in Government Obligations or in Qualified Investments of the type described in the Indenture which, in any case, shall mature or be subject to redemption or withdrawal at par without penalty on or prior to the earlier of: (i) 30 days from the date of investment and (ii) the date such money is required to be applied pursuant to the provisions of the Indenture. In the absence of written direction from the Borrower, the Trustee shall invest amounts on deposit in the funds and accounts established under the Indenture in Government Obligations or in investments of the type described in subparagraph (g) of the definition of Qualified Investments which shall have the same maturity and other restrictions as set forth above. Such investments may be made through the investment or securities department of the Trustee. The Trustee may purchase from or sell to itself or an affiliate, as principal or agent, securities authorized in the Indenture. The Trustee shall be entitled to assume, absent receipt by the Trustee of written notice to the contrary, that any investment which at the time of purchase is a Qualified Investment remains a Qualified Investment thereafter.

Qualified Investments representing an investment of money attributable to any fund or account shall be deemed at all times to be a part of said fund or account, and, except as otherwise may be provided expressly in the Indenture, the interest thereon and any profit arising on the sale thereof shall be credited to the General Account of the Revenue Fund, and any loss resulting on the sale thereof shall be charged against the General Account of the Revenue Fund. Such investments shall be sold at the best price obtainable (at least par) whenever it shall be necessary so to do in order to provide money to make any transfer, withdrawal, payment or disbursement from said fund or account. In the case of any required transfer of money to another such fund or account, such investments may be transferred to that fund or account in lieu of the required money if permitted as an investment of money in that fund or account. The Trustee shall not be liable or responsible for any loss resulting from any investment made in accordance with the Indenture.

Pursuant to the Indenture, the Issuer will acknowledge that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory agency grant the Issuer the right to receive brokerage confirmations of the security transactions as they occur, to the extent permitted by law, the Issuer will specifically waive compliance with 12 C.F.R. 12 and notify the Trustee under the Indenture, that no brokerage confirmations need be sent relating to the security transactions as they occur.

In computing for any purpose under the Indenture the amount in any fund or account on any date, obligations so purchased shall be valued at Fair Market Value.

Money Held for Particular Bonds; Funds Held in Trust

The amounts held by the Trustee for the payment of the interest, principal or redemption price due on any date with respect to particular Bonds pending such payment, shall be set aside and held in trust by it for the Holders of the Bonds entitled thereto, and for the purposes of the Indenture such interest, principal or redemption price, after the due date thereof, shall no longer be considered to be unpaid. All money held by the Trustee for such purpose at any time pursuant to the terms of the Indenture shall be and thereby are assigned, transferred and set over unto the Trustee in trust for the purposes and under the terms and conditions of the Indenture.

Costs of Issuance Fund

The Trustee, or the Title Company as agent on its behalf, shall use money on deposit or deemed deposited to the credit of the Costs of Issuance Fund to pay the costs of issuance on the Delivery Date or as soon as practicable thereafter in accordance with written instructions to be given to the Trustee and/or the Title Company by the Borrower, as set forth in the closing memorandum prepared by the Underwriter or the Borrower (and, to the extent prepared by the Underwriter, accepted and agreed to by the Borrower, and in a form agreeable to the Issuer) on the Delivery Date or by Requisition, upon delivery to the Trustee of appropriate invoices for such expenses. Amounts in the Costs of Issuance Fund funded with proceeds of the Bonds, if any, shall be expended prior to the application of the Costs of Issuance Deposit. Investment Income on amounts on deposit in the Cost of Issuance Fund shall be retained in such fund. Amounts remaining on deposit in the Costs of Issuance Fund six (6) months after the Delivery Date shall be transferred to the Borrower. Upon such final disbursement, the Trustee shall close the Costs of Issuance Fund.

Payments Under Bond Mortgage Loan

The Trustee and the Issuer expressly acknowledge under the Indenture that references in the Indenture to payments or prepayments of the Bond Mortgage Loan shall, for all purposes of the Indenture, refer solely to such portion of such payments or prepayments actually paid by the Credit Facility Provider to the Trustee as Guaranteed Payments pursuant to the Credit Facility for which the Borrower has correspondingly reimbursed the Credit Facility Provider in an amount equal to the Guaranteed Payments. Without in any way limiting the foregoing, the Trustee and the Issuer acknowledge under the Indenture that, pursuant to the Guide, the Servicer will pay the Freddie Mac Credit Enhancement Fee and the Ordinary Servicing Fees and Expenses from payments under the Bond Mortgage Loan made by the Borrower prior to remitting the balance of such payments or prepayments to the Trustee for application as provided in the Indenture.

Drawings Under Credit Facility

The Credit Facility shall be held by the Trustee and drawn upon in accordance with its terms and the provisions of the Indenture. Money derived from draws upon the Credit Facility shall be deposited in the Credit Facility Account of the Revenue Fund and applied by the Trustee to pay the principal of and interest on the Bonds, and, in the event of a purchase of the Bonds in lieu of redemption pursuant to the Indenture, to pay, to the extent provided in the Credit Facility, the Purchase Price of the Bonds in accordance with the Indenture.

The Trustee shall draw money under the Credit Facility in accordance with the terms thereof when needed and in amounts sufficient to make timely payments of the principal of and interest, but not premium, on the Bonds when due and payable (i.e., on any Interest Payment Date, any Settlement Date, any redemption date or the Maturity Date).

Should the Credit Facility Provider become the owner of the Project by foreclosure or otherwise, the Trustee shall nevertheless continue to make payments on the Bonds only from draws on the Credit Facility or from other Eligible Funds.

The Trustee shall send to the Borrower via facsimile transmission or Electronic Notice a copy of any documents which are presented to the Credit Facility Provider in connection with a drawing on the Credit Facility concurrently with its submission of those documents to the Credit Facility Provider, if requested to do so by the Borrower.

Payment of Principal and Interest

The Issuer covenants that it will promptly pay or cause to be paid, but only from the sources identified in the Indenture and subject to the provisions under “Limited Obligations,” above, sufficient amounts to provide for the payment of the principal of, premium, if any, and interest on the Bonds at the place, on the dates and in the manner provided in the Indenture and in the Bonds, according to the true intent and meaning thereof.

The payment and other obligations of the Issuer with respect to the Bonds are intended to be, and shall be, independent of the payment and other obligations of the issuer or maker of the Bond Mortgage Note, even though the principal amount of each Bond Mortgage Note is expected to be identical, except in the case of a default with respect to one or more of the instruments.

Performance of Covenants

The Issuer covenants that it will faithfully perform at all times any and all of its covenants, undertakings, stipulations and provisions contained in the Indenture, in any and every Bond executed, authenticated and delivered under the Indenture and in all proceedings pertaining thereto.

No Modification of Security; Additional Indebtedness

The Issuer covenants that it will not, without the written consent of the Trustee and the Credit Facility Provider, alter, modify or cancel, or agree to consent to alter, modify or cancel any agreement to which the Issuer is a party, or which has been assigned to the Issuer, and which relates to or affects the security for the Bonds or the payment of any amount owed to the Credit Facility Provider. The Issuer further covenants not to create or suffer to be created any lien upon the Trust Estate or any part thereof other than the lien created by the Indenture and by the Bond Mortgage and the Reimbursement Mortgage without the prior written consent of the Credit Facility Provider.

The Issuer, prior to the issuance of the Bonds, has issued, and subsequent to the issuance of the Bonds, the Issuer expects to issue various series of bonds in connection with the financing of other projects (said bonds together with any bonds issued by the Issuer between the date of the Indenture and issuance of the Bonds shall be referred to in the Indenture as the “Other Bonds”). Any pledge, mortgage, or assignment made in connection with any Other Bonds shall be protected, and any funds pledged or assigned for the payment of principal, premium, if any, or interest on the Other Bonds shall not be used for the payment of principal, premium, if any, or interest on the Bonds. Correspondingly, any pledge, mortgage, or assignment made in connection with the Bonds shall be protected, and any funds pledged or assigned for the payment of the Bonds shall not be used for the payment of principal, premium, if any, or interest on the Other Bonds.

Events of Default

Each of the following shall be an event of default with respect to the Bonds (an “Event of Default”) under the Indenture:

- (a) failure to pay the principal of, premium, if any, or interest on any Bond (other than Purchased Bonds) when due, whether on an Interest Payment Date, at the stated maturity thereof, by proceedings for redemption thereof, by acceleration or otherwise; or
- (b) failure by the Credit Facility Provider to make when due a required payment under the Credit Facility; or
- (c) failure to observe or perform any of the covenants, agreements or conditions on the part of the Issuer (other than those set forth in the Indenture) set forth in the Indenture or in the Bonds and the continuance thereof for a period of thirty (30) days (or such longer period, if any, as is specified in the Indenture for particular defaults) after written notice thereof (which notice shall be effective only with the written consent of the Credit Facility Provider if no Event of Default has occurred and is then continuing under subsection (b) above) to the Issuer from the Trustee or the Holders of more than 51% of the aggregate principal amount of the Bonds then Outstanding at such time specifying such default and requiring the same to be remedied; provided that if such default cannot be cured within such thirty (30) day period through the exercise of diligence and the Issuer commences the required cure within such thirty (30) day period and continues the cure with diligence and the Issuer reasonably anticipates that the default could be cured within sixty (60) days, the Issuer shall have sixty (60) days following receipt of such notice to effect the cure.

The Trustee and the Issuer agree that, notwithstanding the provisions of the Indenture, no default under the terms of the Indenture shall be construed as resulting in a default under the Bond Mortgage Note, the Bond Mortgage or any other Bond Mortgage Loan Document, unless such event also constitutes an event of default thereunder.

The Trustee will immediately notify the Issuer, the Servicer and the Credit Facility Provider after a Responsible Officer obtains actual knowledge of the occurrence of an Event of Default or obtains actual knowledge of the occurrence of an event which would become an Event of Default with the passage of time or the giving of notice or both.

Acceleration; Other Remedies Upon Event of Default

Upon the occurrence of an Event of Default as described in subsection (b) under the heading “Events of Default” above, the Trustee shall, upon the written request of the Holders of more than 51% of the aggregate principal amount of the Bonds then Outstanding and receipt of indemnity satisfactory to it, by notice in writing delivered to the Issuer, declare the principal of all Bonds then Outstanding and the

interest accrued thereon immediately due and payable, and interest shall continue to accrue thereon until such amounts are paid.

Upon the occurrence of an Event of Default (other than an Event of Default under subsection (b) under the heading “Events of Default” above), the Trustee shall, but only upon receipt from the Credit Facility Provider of a notice directing such acceleration (which notice may be given in the sole discretion of the Credit Facility Provider), by notice in writing delivered to the Issuer, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable and, upon the Credit Facility Provider having honored a properly presented and conforming draw under the Credit Facility to pay such amounts, interest on the Bonds shall cease to accrue, anything contained in the Indenture or in the Bonds to the contrary notwithstanding.

The payment on the Bonds resulting from a declaration of acceleration on the Bonds as the result of an Event of Default occurring under subsections (a) or (c) under the heading “Events of Default” above shall be made from the Credit Facility.

If at any time after the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the money due shall have been obtained or entered, the Issuer, the Borrower or the Credit Facility Provider, as applicable, shall pay to or deposit with the Trustee a sum sufficient to pay all principal of the Bonds then due (other than solely by reason of such declaration) and all unpaid installments of interest (if any) upon all the Bonds then due, with interest at the rate borne by the Bonds on such overdue principal and (to the extent legally enforceable) on such overdue installments of interest, and the reasonable fees and expenses of the Trustee (including its counsel) shall have been made good or cured or adequate provision shall have been made therefor, and all outstanding amounts then due and unpaid under the Reimbursement Agreement (including, without limitation, with respect to the Credit Facility Provider all outstanding amounts owed to the Credit Facility Provider and all fees owed to the Credit Facility Provider) (collectively, the “Cure Amount”) shall have been paid in full, and all other defaults under the Indenture shall have been made good or cured or waived in writing by the Credit Facility Provider (or, if an Event of Default under subsection (b) under the heading “Events of Default” above has occurred and is then continuing, by the Holders of more than 51% of the aggregate principal amount of the Bonds then Outstanding), then and in every case, the Trustee on behalf of the Holders of all the Outstanding Bonds shall rescind and annul such declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any subsequent default, nor shall it impair or exhaust any right or power consequent thereon. Notwithstanding the provisions described above in this paragraph, in the event the Cure Amount is derived in whole or in part from a draw on the Credit Facility, any such rescission or annulment of such declaration of acceleration shall not occur without the written consent of the Credit Facility Provider.

Upon the occurrence and during the continuance of an Event of Default, the Trustee in its own name and as trustee of an express trust, on behalf and for the benefit and protection of the Holders of all Bonds with respect to which such an Event of Default has occurred and of the Credit Facility Provider (if no Event of Default has occurred and is continuing under subsection (b) under the heading “Events of Default” above), may also proceed to protect and enforce any rights of the Trustee and, to the full extent that the Holders of such Bonds themselves might do, the rights of such Bondholders under the laws of the State or under the Indenture by such of the following remedies as the Trustee shall deem most effectual to protect and enforce such rights; provided that, so long as no Event of Default has occurred and is then continuing under subsection (b) under the heading “Events of Default” above, the Trustee may undertake any such remedy only upon the receipt of the prior written consent of the Credit Facility Provider (which consent may be given in the sole discretion of the Credit Facility Provider):

- (i) by mandamus or other suit, action or proceeding at law or in equity, to enforce the payment of the principal of, premium, if any, or interest on the Bonds then Outstanding and to

require the Issuer or the Credit Facility Provider to carry out any covenants or agreements with or for the benefit of the Bondholders and to perform its duties under the Act, the Indenture, the Financing Agreement, the Tax Regulatory Agreement or the Credit Facility (as applicable) to the extent permitted under the applicable provisions thereof;

(ii) by pursuing any available remedies under the Financing Agreement, the Tax Regulatory Agreement, the Credit Facility or any other Bond Financing Document;

(iii) by realizing or causing to be realized through sale or otherwise upon the security pledged under the Indenture; and

(iv) by action or suit in equity enjoin any acts or things that may be unlawful or in violation of the rights of the Holders of the Bonds and execute any other papers and documents and do and perform any and all such acts and things as may be necessary or advisable in the opinion of the Trustee in order to have the respective claims of the Bondholders against the Issuer allowed in any bankruptcy or other proceeding.

No remedy by the terms of the Indenture conferred upon or reserved to the Trustee or to the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee, the Credit Facility Provider or the Bondholders under the Indenture or under the Financing Agreement, the Tax Regulatory Agreement, the Credit Facility, the Reimbursement Agreement or any other Bond Financing Document, as applicable, or now or thereafter existing at or after the time of execution of the Indenture at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. No waiver of any Event of Default under the Indenture, whether by the Trustee, the Credit Facility Provider or the Bondholders, shall extend to or shall affect any subsequent default or event of default or shall impair any rights or remedies consequent thereto.

In all events the rights of the Trustee to exercise remedies under the Indenture upon the occurrence of an Event of Default shall be subject to the provisions of the Intercreditor Agreement.

Rights of Bondholders

If an Event of Default under subsection (b) under the heading “Events of Default” above shall have occurred and is then continuing, and if requested in writing so to do by the Holders of more than 51% of the aggregate principal amount of the Bonds then Outstanding with respect to which there is a default, and if indemnified to its satisfaction, the Trustee shall exercise one or more of the rights and powers conferred by the Indenture as the Trustee, being advised by counsel or a committee of Responsible Officers, shall deem to be in the best interest of the affected Bondholders. If an Event of Default under subsection (b) under the heading “Events of Default” above shall have occurred and is then continuing, the Holders of more than 51% of the aggregate principal amount of the Bonds then Outstanding with respect to which an Event of Default has occurred shall have the right at any time, subject to the provisions of the Indenture, by an instrument in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings under the Indenture, in accordance with the provisions of law and of the Indenture.

Application of Money After Default

All money (other than amounts drawn from the Credit Facility as described in the Indenture) collected by the Trustee at any time pursuant to the Indenture shall, except to the extent, if any, otherwise directed by a court of competent jurisdiction, be credited by the Trustee to the General Account of the Revenue Fund. Such money so credited to the General Account of the Revenue Fund and all other money from time to time credited to the General Account of the Revenue Fund shall at all times be held, transferred, withdrawn and applied as prescribed by the provisions of the Indenture.

In the event that at any time the money credited to the Revenue Fund, the Bond Fund and the Redemption Fund available for the payment of interest or principal then due with respect to the Bonds shall be insufficient for such payment, such money (other than money held for the payment or redemption of particular Bonds as provided in the Indenture and amounts drawn from the Credit Facility as provided in the Indenture) shall be applied as provided in the Indenture.

(a) For payment of all amounts due to the Trustee incurred in performance of its duties under the Indenture, including, without limitation, the payment of all reasonable fees and expenses of the Trustee incurred in exercising any remedies under the Indenture.

(b) So long as no Event of Default has occurred and is then continuing the Indenture, for the payment to the Credit Facility Provider of all amounts then due and unpaid under the Reimbursement Agreement (including with respect to Freddie Mac all Freddie Mac Credit Enhancement Fees and Freddie Mac Reimbursement Amounts).

(c) Unless the principal of all Bonds shall have become or have been declared due and payable:

FIRST: to the payment to the Persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available is not sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or preference; and

SECOND: to the payment to the Persons entitled thereto of the unpaid principal of and premium, if any (which payment of premium shall not be restricted to Eligible Funds), on any Bonds which shall have become due, whether at maturity or by call for redemption, in the order in which they became due and payable, and, if the amount available is not sufficient to pay in full all the principal of and premium, if any, on the Bonds so due on any date, then to the payment of principal ratably, according to the amounts due on such date, to the Persons entitled thereto, without any discrimination or preference, and then to the payment of any premium due on the Bonds, ratably, according to the amounts due on such date, to the Persons entitled thereto, without any discrimination or preference.

(d) If the principal of all of the Bonds shall have become or have been declared due and payable, to the payment of the principal of, premium, if any (which payment of premium shall not be restricted to Eligible Funds), and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due, respectively, for principal, premium and interest, to the Persons entitled thereto without any discrimination or preference except as to any differences in the respective rates of interest specified in the Bonds.

(e) If an Event of Default has occurred and is then continuing under the Indenture, for the payment to the Credit Facility Provider of all amounts then due and unpaid under the Reimbursement Agreement to the date of such Event of Default.

Rights of the Credit Facility Provider

If an Event of Default under subsections (a) or (c) under the heading “Events of Default” above shall have occurred and so long as no Event of Default has occurred and is then continuing under subsection (b) under the heading “Events of Default” above, upon receipt of the written direction of the Credit Facility Provider (which direction may be given in the sole discretion of the Credit Facility Provider), the Trustee shall be obligated to exercise any right or power conferred by the Indenture in the manner set forth in such written direction of the Credit Facility Provider. If such written direction expressly states that the Trustee may exercise one or more of the rights and powers conferred in the Indenture as the Trustee shall deem to be in the interest of the Bondholders and the Credit Facility Provider, the Trustee, being advised by counsel or a committee of Responsible Officers, shall exercise one or more of such rights and powers as the Trustee, being advised by counsel or a committee of Responsible Officers, shall deem to be in the best interests of the Bondholders and the Credit Facility Provider; provided, however, that in any event, so long as no Event of Default has occurred and is then continuing under subsection (b) under the heading “Events of Default” above, the Trustee may not undertake any action to realize, through sale or otherwise, upon the Bond Mortgage Loan without the express written direction of the Credit Facility Provider. So long as no Event of Default has occurred and is then continuing under subsection (b) under the heading “Events of Default” above, in the case of an Event of Default under subsections (a) or (c) under the heading “Events of Default” above, the Credit Facility Provider shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings under the Indenture, in accordance with the provisions of law and of the Indenture.

Remedies of Bondholders

No Holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Indenture or for the execution of any trust under the Indenture or for the appointment of a receiver or any other remedy under the Indenture, unless (a) a default shall have occurred of which the Trustee shall have been notified as provided in the Indenture; (b) such default shall have become an Event of Default under subsection (b) under the heading “Events of Default” above; (c) the Holders of more than 51% of the aggregate principal amount of the Bonds then Outstanding with respect to which there is such an Event of Default shall have made written request to the Trustee and shall have offered reasonable opportunity to the Trustee either to proceed to exercise the powers granted pursuant to the Indenture or to institute such action, suit or proceeding in its own name; (d) such Holders shall have offered to the Trustee indemnity as provided in the Indenture; and (e) the Trustee shall within sixty (60) days thereafter fail or refuse to exercise the powers granted pursuant to the Indenture, or to institute such action, suit or proceeding; it being understood and intended that no one or more Holders of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture or the rights of any other Holders of Bonds or to obtain priority or preference over any other Holders or to enforce any right under the Indenture, except in the manner provided in the Indenture with respect to the equal and ratable benefit of all Holders of Bonds with respect to which there is a default. Nothing contained in the Indenture shall, however, affect or impair the right of any Bondholder to enforce the payment of the principal of, the premium, if any, and interest on any Bond at the maturity thereof or the obligation of the Issuer to pay the principal of, premium, if any, and interest on the Bonds issued under the Indenture to the respective holders thereof, at the time, in the place, from the sources and in the manner expressed in the Indenture and in said Bonds.

Waivers of Events of Default

So long as no Event of Default has occurred and is then continuing under subsection (b) under the heading “Events of Default” above, the Trustee shall waive any Event of Default under the Indenture and its consequences and rescind any declaration of maturity of principal of, premium, if any, and interest on the Bonds only upon the written direction of the Credit Facility Provider. If there shall have occurred and is then continuing an Event of Default under subsection (b) under the heading “Events of Default” above, the Trustee shall waive any Event of Default under the Indenture and its consequences and rescind any declaration of maturity of principal of, premium, if any, and interest on the Bonds upon the written request of the Holders of 100% of the Bonds then Outstanding with respect to which there is a default; provided, however, that there shall not be waived (a) any Event of Default in the payment of the principal of any Bonds (other than Purchased Bonds) at the date of maturity specified therein, or upon proceedings for mandatory redemption of any Bonds (other than Purchased Bonds), (b) any default in the payment when due of the interest or premium on any such Bonds (other than Purchased Bonds), unless prior to such waiver or rescission all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds in respect of which such default shall have occurred on overdue installments of interest or all arrears of payments of principal or premium, if any, when due (whether at the stated maturity thereof or upon proceedings for mandatory redemption) as the case may be, and all expenses of the Trustee in connection with such default shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee, the Credit Facility Provider and the Bondholders shall be restored to their former positions and rights under the Indenture, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereto.

Supplemental Indentures Not Requiring Consent of Bondholders

The Issuer and the Trustee may from time to time and at any time, without the consent of, or notice to, any of the Bondholders, but with the prior written consent of the Credit Facility Provider, enter into an indenture or indentures supplemental to the Indenture for any one or more of the following purposes: (a) to cure any formal defect, omission, inconsistency or ambiguity in the Indenture in a manner not materially adverse to the Holder of any Bond to be Outstanding after the effective date of the change; (b) to grant to or confer upon the Trustee for the benefit of the Holders of the Bonds any additional rights, remedies, powers or authority that may lawfully be granted or conferred and that are not contrary to or inconsistent with the Indenture or the rights of the Trustee under the Indenture as theretofore in effect; (c) to subject to the lien and pledge of the Indenture additional revenues, properties or collateral; (d) to modify, amend or supplement the Indenture or any indenture supplemental thereto in such manner as to permit the qualification of the Indenture and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute in effect after the Indenture or to permit the qualification of the Bonds for sale under any state blue sky laws; (e) to make such additions, deletions or modifications as may be, in the opinion of Bond Counsel delivered to the Issuer, the Trustee and the Credit Facility Provider, necessary to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds; (f) to modify, amend or supplement the Indenture as required by the Rating Agency to obtain or maintain a rating or ratings for the Bonds, except no change may be made that will materially adversely affect the interests of the Holders of the Bonds to be Outstanding after the effective date of the change; (g) to implement or modify any secondary market disclosure requirements; and (h) to modify, amend or supplement the Indenture in any other respect which is not materially adverse to the Holders of the Bonds to be Outstanding after the effective date of the change and which does not involve a change described in the Indenture.

Supplemental Indentures Requiring Consent of Bondholders

With the prior written consent of the Credit Facility Provider, the Holders of more than 51% of the aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, to consent to and approve the execution by the Issuer and the Trustee of such indenture or indentures supplemental to the Indenture as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture; provided, however, that nothing as described in the Indenture shall permit, or be construed as permitting, (a) an extension of the time for payment of, or an extension of the stated maturity or reduction in the principal amount or reduction in the rate of interest on or extension of the time of payment, of interest on, or reduction of any premium payable on the redemption of, any Bonds, or a reduction in the Borrower's obligation on the Bond Mortgage Note, without the consent of the Holders of all of the Bonds then Outstanding, (b) the creation of any lien prior to or on a parity with the lien of the Indenture, (c) a reduction in the aforesaid percentage of the principal amount of Bonds which is required in connection with the giving of consent to any such supplemental indenture, without the consent of the Holders of all of the Bonds then Outstanding, (d) the modification of the rights, duties or immunities of the Trustee, without the written consent of the Trustee, (e) a privilege or priority of any Bond over any other Bonds, or (f) any action that results in the interest on the Bonds becoming included in gross income for federal income tax purposes.

If at any time the Issuer shall request the Trustee to enter into any such supplemental indenture for any of the purposes of this section, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such supplemental indenture to be mailed, postage prepaid, to all registered Bondholders and to the Credit Facility Provider. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the corporate trust office of the Trustee for inspection by all Bondholders.

Thirty (30) days after the date of the mailing of such notice, the Issuer and the Trustee may enter into such supplemental indenture substantially in the form described in such notice, but only if there shall have first been or is simultaneously delivered to the Trustee the required consents, in writing, of the Credit Facility Provider and the Holders of not less than the percentage of Bonds required by this section. If the Holders of not less than the percentage of Bonds required by this section shall have consented to and approved the execution and delivery of a supplemental indenture as provided therein, no Holder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental indenture as in this section permitted and provided, the Indenture shall be and be deemed to be modified and amended in accordance therewith. The Trustee may rely upon an opinion of counsel as conclusive evidence that execution and delivery of a supplemental indenture has been effected in compliance with the provisions of the Indenture.

Anything in the Indenture to the contrary notwithstanding, unless the Borrower shall then be in default of any of its obligations under the Financing Agreement, the Reimbursement Agreement, the Tax Regulatory Agreement, the Bond Mortgage Note, the Bond Mortgage or the Reimbursement Mortgage, a supplemental indenture under the Indenture which affects any rights of the Borrower shall not become effective unless and until the Borrower shall have expressly consented in writing to the execution and delivery of such supplemental indenture. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such supplemental indenture to be mailed by certified or registered mail to the Borrower or the Borrower's attorney at least fifteen (15) days prior to the proposed date of execution and delivery of any supplemental indenture.

Notwithstanding any other provision of the Indenture, the Issuer and the Trustee may consent to any supplemental indenture upon receipt of the consent of the Credit Facility Provider, the Holders of all Bonds then Outstanding and, as applicable, the Borrower.

Amendments to Financing Agreement Not Requiring Consent of Bondholders

The Trustee shall, without the consent of, or notice to, the Bondholders, but with the consent of the Borrower and the Credit Facility Provider, consent to any amendment, change or modification of the Financing Agreement as follows: (a) as may be required by the provisions of the Credit Facility, the Financing Agreement or the Indenture; (b) to cure any formal defect, omission, inconsistency or ambiguity in the Financing Agreement in a manner not materially adverse to the Holder of any Bond to be Outstanding after the effective date of the change; (c) to make such additions, deletions or modifications as may be necessary, in the opinion of Bond Counsel delivered to the Issuer, the Trustee and the Credit Facility Provider, to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds; (d) to modify, amend or supplement the Financing Agreement as required by the Rating Agency to obtain or maintain a rating or ratings for the Bonds, except no change may be made that will materially adversely affect the interests of the Holders of the Bonds to be Outstanding after the effective date of the change; or (e) to modify, amend or supplement the Financing Agreement in any other respect which is not materially adverse to the Trustee or Holders of the Bonds to be Outstanding after the effective date of the change and which does not involve a change described in the Indenture.

Amendments to Financing Agreement Requiring Consent of Bondholders

Except for the amendments, changes or modifications of the Financing Agreement as provided in the Indenture, neither the Issuer nor the Trustee shall consent to any other amendment, change or modification of the Financing Agreement without the consent of the Credit Facility Provider and the Borrower and without the giving of notice and the written approval or consent of the Holders of at least 51% of the aggregate principal amount of the Bonds then Outstanding given and procured in accordance with the procedure set forth in the Indenture; provided, however, that nothing contained in the Indenture shall permit, or be construed as permitting, any amendment, change or modification of the Borrower's obligation to make the payments required under the Financing Agreement without the consent of the Holders of all of the Bonds then Outstanding. If at any time the Issuer and the Borrower shall request the consent of the Trustee to any such proposed amendment, change or modification of the Financing Agreement, the Trustee shall cause notice of such proposed amendment, change or modification to be given in the same manner as provided in the Indenture. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the Principal Office of the Trustee for inspection by Bondholders.

Amendments to the Credit Facility

The Trustee may, without the consent of, or notice to, any of the Bondholders enter into any amendment, change or modification of the Credit Facility (a) as may be required by the provisions of the Credit Facility, (b) to cure any formal defect, omission, inconsistency or ambiguity in the Credit Facility, (c) in a manner which is not prejudicial to the interests of the Bondholders as determined by the Trustee being advised by counsel, a committee of Responsible Officers or by a written confirmation from the Rating Agency of the then existing rating on the Bonds, or (d) as required by the Rating Agency to maintain the then current rating on the Bonds.

Discharge of Lien

If the Issuer shall pay or cause to be paid to the Holders of the Bonds the principal, interest and premium, if any, to become due thereon at the times and in the manner stipulated therein and in the Indenture, in any one or more of the following ways:

(a) by the payment of the principal of (including redemption premium, if any) and interest on all Bonds outstanding; or

(b) by the deposit or credit to the account of the Trustee, in trust, of money or securities in the necessary amount (as provided in the Indenture) to pay the principal, redemption price and interest to the date established for redemption whether by redemption or otherwise; or

(c) by the delivery to the Trustee, for cancellation by it, of all Bonds Outstanding; and shall have paid all amounts due and owing to the Credit Facility Provider under the Indenture and under the Credit Facility and the Reimbursement Agreement, including but not limited to the Freddie Mac Reimbursement Amount and the Freddie Mac Credit Enhancement Fee, and shall have paid all fees and expenses of and any other amounts due to the Trustee, the Servicer, the Dissemination Agent, the Rebate Analyst, the Issuer and the Paying Agent, and if the Issuer shall keep, perform and observe all and singular the covenants and promises in the Bonds and in the Indenture expressed as to be kept, performed and observed by it or on its part, then these presents and the estates and rights granted by the Indenture shall cease, determine and be void, and thereupon the Trustee shall cancel and discharge the lien of the Indenture and execute and deliver to the Issuer such instruments in writing as shall be requisite to satisfy the lien of the Indenture, and reconvey to the Issuer the estate conveyed by the Indenture, and assign and deliver to the Issuer any interest in property at the time subject to the lien of the Indenture which may then be in its possession, except amounts held by the Trustee for the payment of principal of, interest and premium, if any, on the Bonds, the payment of any amounts owed to the United States of America pursuant to the Indenture or the payment of any amounts payable to the Credit Facility Provider.

Any Outstanding Bond shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in the paragraph above if, under circumstances which do not cause interest on the Bonds to become includable in the Holders' gross income for purposes of federal income taxation, the following conditions shall have been fulfilled: (a) in case such Bond is to be redeemed on any date prior to its maturity, the Trustee shall have given to the Bondholder irrevocable notice of redemption of such Bond on said date; (b) there shall be on deposit with the Trustee, pursuant to the Indenture, either money or direct obligations of the United States of America in an amount, together with anticipated earnings thereon (but not including any reinvestment of such earnings), which will be sufficient to pay, when due, the principal or redemption price, if applicable, and interest due and to become due on such Bond on the redemption date or maturity date thereof, as the case may be; (c) in the case of Bonds which do not mature or will not be redeemed within 60 days of such deposit, the Trustee shall have received a verification report of a firm of certified public accountants reasonably acceptable to the Trustee as to the adequacy of the amounts so deposited to fully pay the Bonds deemed to be paid; (d) the Trustee shall have received an opinion of nationally recognized bankruptcy counsel, if required by subpart (e) of the definition of "Eligible Funds" in the Indenture, to the effect that such money constitutes Eligible Funds; and (f) the Trustee shall have received an opinion of Bond Counsel to the effect that the defeasance of the Bonds is in accordance with the provisions of the Indenture and that such defeasance will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

The Trustee shall in no event cause the Bonds to be optionally redeemed from money deposited pursuant to the Indenture unless the requirements of the Indenture have been met with respect to such redemption, including the requirements of the Indenture.

Discharge of Liability on Bonds

Upon the deposit with the Trustee, in trust, at or before maturity, of money or securities in the necessary amount (as provided in the Indenture) to pay or redeem Outstanding Bonds (whether upon or prior to their maturity or the redemption date of such Bonds) provided that, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in the Indenture or provision satisfactory to the Trustee shall have been made for the giving of such notice, all liability of the Issuer in respect of such Bonds shall cease, terminate and be completely discharged, except only that thereafter the holders thereof shall be entitled to payment by the Issuer, and the Issuer shall remain liable for such payment, but only out of the money or securities deposited with the Trustee as provided in the Indenture for their payment, subject, however, to the provisions of the Indenture.

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APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE FINANCING AGREEMENT

The following is a brief summary of certain provisions of the Financing Agreement. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Financing Agreement, copies of which are on file with the Trustee.

All words and phrases (except for Event of Default) defined in the Indenture shall have the same meanings for the purposes of the Financing Agreement.

Terms of the Bond Mortgage Loan; Servicing

The Bond Mortgage Loan shall (i) be evidenced by the Bond Mortgage Note; (ii) be initially secured by the Credit Facility and the Bond Mortgage; (iii) be in the principal amount of \$46,500,000*; (iv) bear interest as provided in the Bond Mortgage Note; (v) provide for principal and interest payments in accordance with the Bond Mortgage Note; and (vi) be subject to optional and mandatory prepayment at the times, in the manner and on the terms, and have such other terms and provisions, as provided in the Financing Agreement and in the Bond Mortgage Note.

The Servicer shall service the Bond Mortgage Loan pursuant to the Commitment and the *Guide*. The Issuer, the Trustee and the Borrower acknowledge and agree that (i) selection or removal of any Servicer is in the sole and absolute discretion of the Credit Facility Provider; (ii) neither the Issuer nor the Trustee shall terminate or attempt to terminate any Servicer as the servicer for the Bond Mortgage Loan or appoint or attempt to appoint a substitute servicer for the Bond Mortgage Loan; (iii) the Commitment and the *Guide* are each subject to amendment without the consent of the Trustee, the Issuer or the Borrower; and (iv) none of the Trustee, the Issuer or the Borrower shall have any rights under, or be a third party beneficiary of, the *Guide*. The Servicer shall have the right to collect all payments made by the Borrower in connection with the Bond Mortgage Loan and to receive copies of all reports and notices provided for by the Bond Financing Documents.

Assignment to Trustee

The parties to the Financing Agreement acknowledge, and the Borrower consents to, the assignment by the Issuer to the Trustee pursuant to the Indenture of all of the Issuer's right, title and interest in the Financing Agreement (excluding the Unassigned Rights), the Bond Mortgage Loan, the Bond Mortgage, the Revenues and the Credit Facility as security for the payment of the principal of, premium, if any, and interest on the Bonds and the payment of the Freddie Mac Credit Enhancement Fee and Freddie Mac Reimbursement Amount.

Payments Under the Bond Mortgage Note; Independent Obligation of Borrower

The Borrower agrees to repay the Bond Mortgage Loan as provided in the Bond Mortgage Note, and in all instances at the times and in the amounts necessary to enable the Trustee, on behalf of the Issuer, to pay all amounts payable with respect to the Bonds, when due, whether at maturity or upon redemption (with premium, if applicable), acceleration or otherwise. The obligation of the Borrower to make the payments set forth in the Financing Agreement shall be an independent and separate obligation of the Borrower from its obligation to make payments under the Bond Mortgage Note, provided that in all events payments made by the Borrower under and pursuant to the Bond Mortgage Note shall be credited against

* Preliminary, subject to change.

the Borrower's obligations under the Financing Agreement on a dollar for dollar basis. If for any reason the Bond Mortgage Note or any provision of the Bond Mortgage Note shall be held invalid or unenforceable against the Borrower by any court of competent jurisdiction, the Bond Mortgage Note or such provision of the Bond Mortgage Note shall be deemed to be the obligation of the Borrower pursuant to the Financing Agreement to the full extent permitted by law and such holding shall not invalidate or render unenforceable any of the provisions of the Financing Agreement and shall not serve to discharge any of the Borrower's payment obligations under the Financing Agreement or eliminate the credit against such obligations to the extent of payments made under the Bond Mortgage Note.

The Borrower acknowledges and agrees that the Servicer may collect monthly payments from the Borrower with respect to the Bond Mortgage Loan in accordance with the Reimbursement Agreement, but such payments shall not be credited against the principal or interest due with respect to the Bond Mortgage Loan or the Bond Mortgage Note until and only to the extent such amounts are used to reimburse the Credit Facility Provider for amounts paid under the Credit Facility to pay principal of or interest on the Bonds.

Payment of Certain Fees and Expenses Under the Bond Mortgage Note

In addition to the payments set forth in the Financing Agreement, payments to be made by the Borrower under the Bond Mortgage Note include certain money to be paid in respect of, among others, the Bond Fee Component, the Ordinary Servicing Fees and Expenses, the Freddie Mac Credit Enhancement Fee, any annual rating maintenance fees of the Rating Agency and amounts required to be deposited in any Custodial Escrow Account pursuant to the Bond Mortgage Loan Documents, as set forth in the Financing Agreement. To the extent that any portion of the Bond Fee Component, the Ordinary Servicing Fees and Expenses, the Freddie Mac Credit Enhancement Fee, any annual rating maintenance fees of the Rating Agency and amounts required to be deposited in a Custodial Escrow Account remain due and owing at any time, such amounts remaining due and owing shall be payable from money on deposit in the Administration Fund as provided in the Indenture or from other money of the Borrower, to the extent that money in the Administration Fund is insufficient for such purposes. All other fees and expenses shall be payable from money of the Borrower as provided in the Financing Agreement.

Prepayment of Bond Mortgage Loan

The Borrower shall have the option to prepay the Bond Mortgage Loan in full or in part prior to the payment and discharge of all the outstanding Bonds in accordance with the provisions of the Indenture, the Financing Agreement and the Bond Mortgage Note, and only with the prior written consent of the Credit Facility Provider and the payment of any amount due under the next succeeding paragraph. The Borrower shall be required to prepay the Bond Mortgage Loan in each case that Bonds are required to be redeemed in accordance with the terms and conditions set forth in the Indenture.

The Bonds are subject to redemption in accordance with the terms and conditions set forth in the Indenture. In connection with any prepayment, whether optional or mandatory, in addition to all other payments required under the Bond Mortgage Note, the Borrower shall pay, or cause to be paid to the Servicer or other party as directed by the Credit Facility Provider (or, if no Credit Facility is then in effect, to the Trustee), an amount sufficient to pay the redemption price of the Bonds to be redeemed, including principal, interest and premium (if any), such premium to be paid with Eligible Funds not consisting of funds drawn under the Credit Facility, and further including any interest to accrue with respect to the Bond Mortgage Loan and such Bonds between the prepayment date and the redemption date, together with a sum sufficient to pay all fees, costs and expenses in connection with such redemption and, in the case of redemption in whole, to pay all other amounts payable under the Financing Agreement, the Indenture and the Reimbursement Agreement. The Borrower shall provide notice of the prepayment to the Issuer, the Trustee, the Credit Facility Provider and the Servicer in writing forty-five (45) days, or such shorter time

as is possible in the case of mandatory prepayments, prior to the date on which the Borrower will make the prepayment. Each such notice shall state, to the extent such information is available, (a) the amount to be prepaid, (b) the date on which the prepayment will be made by the Borrower, and (c) the cause for the prepayment, if any.

Borrower's Obligations Upon Redemption

In the event of any redemption, the Borrower will timely pay, or cause to be paid through the Servicer, to the Trustee an amount equal to the principal amount of such Bonds or portions thereof called for redemption, together with interest accrued to the redemption date and premium, if any, such premium to be paid with Eligible Funds not consisting of funds drawn under the Credit Facility. In addition, the Borrower will timely pay all fees, costs and expenses associated with any redemption of Bonds.

Performance of Obligations

The Borrower shall keep and faithfully perform all of its covenants and undertakings contained in the Financing Agreement and in the Bond Financing Documents, including, without limitation, its obligations to make all payments set forth in the Financing Agreement and therein in the amounts, at the times and in the manner set forth in the Financing Agreement and therein.

Indenture Provisions

The execution of the Financing Agreement shall constitute conclusive evidence of approval of the Indenture by the Borrower. Whenever the Indenture by its terms imposes a duty or obligation upon the Borrower, such duty or obligation shall be binding upon the Borrower to the same extent as if the Borrower were an express party to the Indenture, and the Borrower shall carry out and perform all of its obligations under the Indenture as fully as if the Borrower were a party to the Indenture.

No Alternate Credit Facility

The Borrower shall not be permitted to replace the Credit Enhancement Agreement as the Credit Facility for the Bonds.

Sale or Other Transfer of Project

Subject to the Intercreditor Agreement, the Borrower may convey and transfer the Project only upon strict compliance with the provisions of the Bond Mortgage Loan Documents and upon receipt of the prior written consent of the Issuer and the Credit Facility Provider.

Right to Perform Borrower's Obligations

In the event the Borrower fails to perform any of its obligations under the Financing Agreement, the Issuer, the Trustee and/or the Servicer, after giving requisite notice, if any, and subject to the Intercreditor Agreement, may, but shall be under no obligation to, perform such obligation and pay all costs related thereto, and all such costs so advanced by the Issuer, the Trustee or the Servicer shall become an additional obligation of the Borrower under the Financing Agreement, payable on demand and if not paid on demand with interest thereon at the default rate of interest payable under the Bond Mortgage Loan Documents.

Limitation With Respect to the Credit Facility Provider

Notwithstanding anything in the Financing Agreement to the contrary, in the event that the Credit Facility Provider shall become the owner of the Project as a result of a foreclosure or a deed in lieu of foreclosure, or comparable conversion of the Bond Mortgage Loan, the Credit Facility Provider shall not be liable for any breach or default of any prior owner of the Project under the Financing Agreement and shall only be responsible for defaults and obligations incurred or occurring during the period that the Credit Facility Provider is the owner of the Project. Accordingly, during any period that the Credit Facility Provider owns the Project and that the Financing Agreement is applicable to the Credit Facility Provider, the Credit Facility Provider's obligations under the Financing Agreement shall be limited to acts and omissions of the Credit Facility Provider occurring during the period of the Credit Facility Provider's ownership of the Project.

Events of Default

The following shall be "Events of Default" under the Financing Agreement and the term "Event of Default" shall mean, whenever it is used in the Financing Agreement, one or all of the following events:

- (a) Any representation or warranty made by the Borrower in the Bond Financing Documents or any certificate, statement, data or information furnished by the Borrower in connection therewith or included by the Borrower in its application to the Issuer for assistance proves at any time to have been incorrect when made in any material respect;
- (b) Failure by the Borrower to pay any amounts due under the Financing Agreement, the Bond Mortgage Note or the Bond Mortgage at the times and in the amounts required by the Financing Agreement, the Bond Mortgage Note and the Bond Mortgage, as applicable;
- (c) The Borrower's failure to observe and perform any of its other covenants, conditions or agreements contained in the Financing Agreement, other than as referred to in clause (a) above, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given by the Issuer or the Trustee to the Borrower; provided, however, that if the failure shall be such that it can be corrected but not within such thirty (30)-day period, the Issuer and the Trustee will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Borrower within such period and diligently pursued until the failure is corrected; or
- (d) The occurrence of an event of default (after expiration of any applicable notice and cure period) under the Reimbursement Agreement shall at the discretion of the Credit Facility Provider constitute an Event of Default under the Financing Agreement but only if the Trustee is provided written notice thereof by the Credit Facility Provider that an Event of Default has occurred under the Reimbursement Agreement and the Trustee is instructed by the Credit Facility Provider that such default constitutes an Event of Default under the Financing Agreement. The occurrence of an Event of Default under the Financing Agreement shall in the discretion of the Credit Facility Provider constitute a default under the Bond Mortgage Loan Documents and the Reimbursement Agreement.

Nothing contained under this heading is intended to amend or modify any of the provisions of the Bond Financing Documents or to bind the Issuer, the Trustee, the Servicer or the Credit Facility Provider to any notice and cure periods other than as expressly set forth in the Bond Financing Documents.

Remedies on Default

Subject to the provisions of the Financing Agreement and the Intercreditor Agreement, whenever any Event of Default under the Financing Agreement shall have occurred and be continuing, the Trustee or the Issuer where so provided may take any one or more of the following remedial steps:

(a) The Issuer shall cooperate with the Trustee as the Trustee acts pursuant to the Indenture.

(b) In the event any of the Bonds shall at the time be Outstanding and not paid and discharged in accordance with the provisions of the Indenture, the Issuer or the Trustee may have access to and inspect, examine and make copies of the books and records and any and all accounts, data and income tax and other tax returns of the Borrower.

(c) The Issuer or the Trustee may, without being required to give any notice (other than to the Issuer or the Trustee, as applicable), except as provided in the Financing Agreement, pursue all remedies of a creditor under the laws of the State, as supplemented and amended, or any other applicable laws.

(d) The Issuer or Trustee may take whatever action at law or in equity may appear necessary or desirable to collect the payments due under the Financing Agreement then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Borrower under the Financing Agreement.

Any amounts collected pursuant to the Financing Agreement and any other amounts which would be applicable to payment of principal of, interest and any premium on the Bonds collected pursuant to action taken under the Financing Agreement shall be applied in accordance with the provisions of the Indenture.

In accordance with the Financing Agreement, if, after any Event of Default under the Financing Agreement all amounts which would then be payable under the Financing Agreement by the Borrower if such Event of Default had not occurred and was not continuing shall have been paid by or on behalf of the Borrower, and the Borrower shall have also performed all other obligations in respect of which it is then in default under the Financing Agreement, and shall have paid the reasonable charges and expenses of the Issuer, the Trustee, the Servicer and the Credit Facility Provider, including reasonable attorneys' fees paid or incurred in connection with such default, and shall have paid all amounts then due to the Credit Facility Provider, including, but not limited to, any Freddie Mac Reimbursement Amounts and Freddie Mac Credit Enhancement Fees, and if there shall then be no default existing under the Indenture, then and in every such case such Event of Default under the Financing Agreement shall be waived and annulled, but no such waiver or annulment shall affect any subsequent or other Event of Default or impair any right consequent thereon.

No Remedy Exclusive

No remedy conferred upon or reserved to the Issuer or the Trustee by the Financing Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Financing Agreement or existing at or after the time of execution of the Financing Agreement at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Trustee to

exercise any remedy reserved to it in the Financing Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required by the Financing Agreement.

Rights of Credit Facility Provider

Notwithstanding anything in the Financing Agreement to the contrary, as long as a Wrongful Dishonor (as defined in the Financing Agreement) has not occurred with respect to the Credit Facility, none of the Issuer, the Trustee or any other person shall, upon the occurrence of an Event of Default under the Financing Agreement or an event of default under any other Bond Financing Document, take any action to accelerate or otherwise enforce payment or seek other remedies with respect to the Bond Mortgage Loan, except at the written direction of the Credit Facility Provider; provided that this prohibition shall not be construed to limit the rights of the Issuer or the Trustee to specifically enforce the Tax Certificate and the Tax Regulatory Agreement in order to provide for operation of the Project in accordance with the Code and the laws of the State, including the Act or to enforce the Unassigned Rights; and provided further that this prohibition shall not be construed to limit the rights of the Issuer, the Trustee or the Servicer or any indemnified party under the Financing Agreement to enforce its rights against the Borrower under the Financing Agreement by mandamus or other suit, action or proceeding at law or in equity where such suit, action or proceeding does not seek any remedies under or with respect to the Bond Mortgage or cause acceleration of the Bond Mortgage Loan.

Equity Investor Notice and Cure Rights

Notwithstanding anything in the Financing Agreement to the contrary, any cure of an Event of Default made or tendered by the Equity Investor shall be deemed to be a cure by the Borrower and shall be accepted or rejected on the same basis as if made or tendered by the Borrower. Whenever in the Financing Agreement the giving of notice for an Event of Default is required, a courtesy copy of such notice shall be delivered by the Trustee to the Equity Investor as set forth in the Financing Agreement; provided however that any failure to provide such courtesy copy notice will not affect the validity or sufficiency of any notice to Borrower, will not affect Credit Facility Provider's rights and remedies under the Financing Agreement or under any other Financing Documents, nor subject Credit Facility Provider or Trustee to any claims by or liability to Equity Investor.

Credit Facility Provider and Servicer as Third Party Beneficiaries

The parties to the Financing Agreement agree and acknowledge that the Credit Facility Provider and the Servicer are third party beneficiaries of the Financing Agreement.

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APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE TAX REGULATORY AGREEMENT

The following is a summary of certain provisions of the Tax Regulatory Agreement. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Tax Regulatory Agreement, a copy of which is on file with the Trustee. This summary uses various terms defined in the Tax Regulatory Agreement and such terms as used herein shall have the same meanings as so defined.

In the Tax Regulatory Agreement, the Issuer, the Borrower and the Trustee each made certain covenants for the purpose of preserving the exclusion from gross income of interest on the Bonds for purposes of federal income taxation and qualifying the Project for the California Debt Limit Allocation Committee (as defined therein) by regulating and restricting the use and occupancy of the Project as set forth therein.

Definitions and Interpretation

“Act” means the Zenovich-Moscone-Chacon Housing and Home Finance Act, consisting of Parts 1 through 4 of Division 31 of the California Health and Safety Code.

“Area” means the Metropolitan Statistical Area or County, as applicable, in which the Project is located, as defined by the United States Department of Housing and Urban Development.

“Available Units” means residential units in the Project that are actually occupied and residential units in the Project that are vacant and have been occupied at least once after becoming available for occupancy, provided that (a) a residential unit that is vacant on the later of (i) the date the Project is acquired or (ii) the Closing Date is not an Available Unit and does not become an Available Unit until it has been occupied for the first time after such date, and (b) a residential unit that is not available for occupancy due to renovations is not an Available Unit and does not become an Available Unit until it has been occupied for the first time after the renovations are completed.

“Bond Counsel” means an attorney at law or firm of attorneys selected by the Issuer, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America or the District of Columbia.

“Borrower” means Lakeshore Villa Apartments LP, a California limited partnership, together with any successor to its rights, duties and obligations under the Tax Regulatory Agreement, and as owner of the Project located on the real property site described as an exhibit to the Tax Regulatory Agreement.

“CDLAC” means the California Debt Limit Allocation Committee or its successors.

“CDLAC Conditions” has the meaning given such term in the Tax Regulatory Agreement.

“CDLAC Resolution” means CDLAC Resolution No. 26-152 attached as an exhibit to the Tax Regulatory Agreement, adopted on May 12, 2026, and relating to the Project, and as such resolution may be modified or amended from time to time.

“Certificate of Continuing Program Compliance” means the Certificate to be filed by the Borrower with the Program Monitor, on behalf of the Issuer, pursuant to clause (f) under “Low Income Tenants; Reporting Requirements,” below, which shall be substantially in the form attached as an exhibit to the Tax

Regulatory Agreement or in such other comparable form as may be provided by the Issuer to the Borrower, or as otherwise approved by the Issuer.

“City” means the City of San Diego, California.

“Closing Date” means the date the Bonds are issued and delivered to the initial purchaser thereof, which is expected to be on or about October __, 2026.

“County” means the County of San Diego, California.

“Deed of Trust” means the [Multifamily Deed of Trust, with Assignments of Rents, Security Agreement and Fixture Filing (Bond Mortgage)], executed as of the Closing Date by the Borrower, as trustor, naming the Trustee as beneficiary thereunder, as the same may be modified, amended or supplemented from time to time, or any deed of trust (or similar security instrument) containing a power of sale clause reflecting a valid, perfected first priority lien on the fee interest in the Project delivered by the Borrower to secure the Borrower’s obligations to a third-party lender.

“Financing Agreement” means the Financing Agreement dated as of October 1, 2026, among the Borrower, the Issuer and the Trustee, as such Financing Agreement may from time to time be amended or supplemented.

“Gross Income” means the gross income of a person (together with the gross income of all persons who intend to reside with such person in one residential unit) as calculated in the manner prescribed under HUD Section 8.

“Housing Act” means the United States Housing Act of 1937 (42 U.S.C. Section 1437(f)), as amended, or its successor.

“HUD Section 8” unless otherwise indicated, means project based rent subsidy assistance provided by the U.S. Department of Housing and Urban Development pursuant to Section 8 of the Housing Act.

“Income Certification” means a Tenant Income Certification and a Tenant Income Certification Questionnaire in the form attached as an exhibit to the Tax Regulatory Agreement or in such other comparable form as may be provided by the Issuer to the Borrower, or as otherwise approved by the Issuer.

“Indenture” means that certain Trust Indenture dated as of October 1, 2026 between the Issuer and the Trustee pursuant to which the Bonds are issued and secured, as the same may be amended, supplemented or restated from time to time.

“Investor Limited Partner” means Berkadia Lakeshore Villa Apartments MTE LP, a Delaware limited partnership, and its permitted successors and assigns.

“Law” means Chapter 6.7 of Part 3 of the Act, as amended.

“Loan” means the loan of the proceeds of the Bonds.

“Low Income Tenant” means a tenant occupying a Low Income Unit.

“Low Income Unit” means any Available Unit if the aggregate Gross Income of all tenants therein does not exceed limits determined in a manner consistent with determinations of “low-income families” under Section 8 of the Housing Act, provided that the percentage of median gross income that qualifies as

low income under the Tax Regulatory Agreement shall be sixty percent (60%) of median gross income for the Area, with adjustments for family size. A unit occupied by one or more students shall only constitute a Low Income Unit if such students meet the requirements of Section 142(d)(2)(C) of the Code. The determination of an Available Unit's status as a Low Income Unit shall be made by the Borrower upon commencement of each lease term with respect to such unit, and annually thereafter, on the basis of an Income Certification executed by each tenant.

"Program Monitor" means the Issuer or any administrator or program monitor appointed by the Issuer to administer the Tax Regulatory Agreement, and any successor administrator appointed by the Issuer.

"Program Report" means the report to be filed by the Borrower with the Program Monitor pursuant to clause (f) under "Low Income Tenants; Reporting Requirements," below, which shall be substantially in the form attached as an exhibit to the Tax Regulatory Agreement or in such other comparable form as may be provided by the Issuer to the Borrower, or as otherwise approved by the Issuer.

"Project" means the 126-unit multifamily rental housing development known as Lakeshore Villa Apartments (including two managers' units) located in the City on the real property site described in an exhibit to the Tax Regulatory Agreement, consisting of those facilities, including real property, structures, buildings, fixtures or equipment situated thereon, as it may at any time exist, the acquisition, rehabilitation, and development of which facilities is to be financed, in whole or in part, from the proceeds of the sale of the Bonds or the proceeds of any payment by the Borrower pursuant to the Financing Agreement, and any real property, structures, buildings, fixtures or equipment acquired in substitution for, as a renewal or replacement of, or a modification or improvement to, all or any part of the facilities described in the Financing Agreement.

"Qualified Project Period" means the period beginning on the Closing Date and ending on the later of the following:

- (A) the date that is fifteen (15) years after the date on which at least fifty percent (50%) of the units in the Project are first occupied;
- (B) the first date on which no Tax-Exempt private activity bonds with respect to the Project are Outstanding;
- (C) the date on which any assistance provided with respect to the Project under HUD Section 8 terminates; or
- (D) such later date as set forth in the Tax Regulatory Agreement;

provided, that if at least 10% of the residential units in the Project are Available Units at all times within 60 days after the later of (1) the date the Project is acquired by the Borrower, or (2) the Closing Date, then the Qualified Project Period shall begin on the date one year after the Closing Date and end on the later of (i) the date that is fifteen (15) years after such date or (ii) the later of the dates specified in subparagraphs (A), (B), (C) and (D) above.

"Regulations" means the Income Tax Regulations of the Department of the Treasury applicable under the Code from time to time.

“Rental Payments” means the rental payments paid by the occupant of a unit, excluding any supplemental rental assistance to the occupant from the State, the federal government, or any other public agency, but including any mandatory fees or charges imposed on the occupant by the Borrower as a condition of occupancy of the unit.

“Special Limited Partner” means Riverside Manager, LLC, a New Jersey limited liability company, dba Berkadia Affordable Manager.

“Tax Certificate” means the Tax Certificate and Agreement in respect of the Bonds dated the Closing Date executed and delivered by the Issuer and the Borrower, as the same may be amended, supplemented or restated from time to time.

“Tax-Exempt” means with respect to interest on any obligations of a state or local government, including the Bonds, that such interest is excluded from gross income for federal income tax purposes; provided, however, that such interest may be includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax, under the Code.

“Transfer” means the conveyance, assignment, sale or other disposition of all or any portion of the Project; and shall also include, without limitation to the foregoing, the following: (1) an installment sales agreement wherein Borrower agrees to sell the Project or any part thereof for a price to be paid in installments; and (2) an agreement by the Borrower leasing all or a substantial part of the Project to one or more persons or entities pursuant to a single or related transactions.

“Underwriter” means Stifel, Nicolaus & Company, Incorporated, and any successor entity serving in such capacity pursuant to the Indenture.

“Very Low Income Tenant” means a tenant occupying a Very Low Income Unit.

“Very Low Income Unit” means any Available Unit if the aggregate Gross Income of all tenants therein does not exceed limits determined in a manner consistent with determinations of “very low-income families” (based upon 50% of Area median income) under HUD Section 8, with adjustments for family size. A unit occupied by one or more students shall only constitute a Very Low Income Unit if such students meet the requirements of Section 142(d)(2)(C) of the Code. The determination of an Available Unit’s status as a Very Low Income Unit shall be made by the Borrower upon commencement of each lease term with respect to such unit, and annually thereafter, on the basis of an Income Certification executed by each tenant.

Qualified Residential Rental Project

The Borrower acknowledges and agrees that the Project is to be owned, managed and operated as a “residential rental project” (within the meaning of Section 142(d) of the Code) for a term equal to the Qualified Project Period. To that end, and for the term of the Tax Regulatory Agreement, the Borrower represents, covenants, warrants and agrees as follows:

(a) The Project has been acquired, and will be rehabilitated, developed and operated for the purpose of providing multifamily residential rental property. The Borrower will own, manage and operate the Project as a project to provide multifamily residential rental property comprised of a building or structure or several interrelated buildings or structures, together with any functionally related and subordinate facilities, and no other facilities, in accordance with Section 142(d) of the Code, Section 1.103-8(b) of the Regulations and the provisions of the Act

and the Law, and in accordance with such requirements as may be imposed thereby on the Project from time to time.

(b) All of the dwelling units in the Project (except for not more than two units set aside for a resident manager or other administrative use) will be similarly constructed units, and each dwelling unit in the Project will contain complete separate and distinct facilities for living, sleeping, eating, cooking and sanitation for a single person or a family, including a sleeping area, bathing and sanitation facilities and cooking facilities equipped with a cooking range, refrigerator and sink.

(c) None of the dwelling units in the Project will at any time be utilized on a transient basis or rented for a period of less than 30 consecutive days, or will ever be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, nursing home, hospital, sanitarium, rest home or trailer court or park; provided that the use of certain units for tenant guests on an intermittent basis shall not be considered transient use for purposes of the Tax Regulatory Agreement.

(d) No part of the Project will at any time during the Qualified Project Period be owned by a cooperative housing corporation, nor shall the Borrower take any steps in connection with a conversion to such ownership or use, and the Borrower will not take any steps in connection with a conversion of the Project to condominium ownership during the Qualified Project Period (except that the Borrower may obtain final map approval and the Final Subdivision Public Report from the California Department of Real Estate and may file a condominium plan with the City).

(e) All of the Available Units in the Project (except for not more than two units set aside for resident managers or other administrative use) will be available for rental during the period beginning on the Closing Date and ending on the termination of the Qualified Project Period on a continuous, "first-come, first-served" basis to members of the general public, and the Borrower will not give preference to any particular class or group in renting the dwelling units in the Project, except as permitted by applicable law, including Section 1.103-8(a)(2) of the Regulations, and to the extent that dwelling units are required to be leased or rented in such a manner that they constitute Low Income Units.

(f) The Project consists of a parcel or parcels that are contiguous except for the interposition of a road, street or stream, and all of the facilities of the Project comprise a single geographically and functionally integrated project for residential rental property, as evidenced by the ownership, management, accounting and operation of the Project.

(g) No dwelling unit in the Project shall be occupied by the Borrower; provided, however, that if the Project contains five or more dwelling units, this provision shall not be construed to prohibit occupancy of not more than one dwelling unit by a resident manager and/or maintenance personnel, any of whom may be the Borrower.

(h) The Borrower represents that, as of the Closing Date, not less than 50% of the dwelling units in the Project are occupied and at least 10% of the residential units in the Project are expected to be Available Units at all times within 60 days after the Closing Date.

Low Income Tenants; Reporting Requirements

Pursuant to the requirements of the Code, the Borrower represents, warrants and covenants as follows:

(a) During the Qualified Project Period, no less than 40% of the total number of completed units in the Project shall at all times be Low Income Units. For the purposes of this paragraph (a), a vacant unit that was most recently a Low Income Unit is treated as a Low Income Unit 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. Together with the affordability required by the Law, set forth in the Tax Regulatory Agreement, the resulting occupancy requirements are that 30% of the total number of completed units in the Project shall at all times be Low Income Units and 10% of the total number of completed units in the Project shall at all times be Very Low Income Units.

(b) No tenant qualifying as a Low Income Tenant upon initial occupancy shall be denied continued occupancy of a unit in the Project because, after admission, the aggregate Gross Income of all tenants in the unit occupied by such Low Income Tenant increases to exceed the qualifying limit for a Low Income Unit. However, should the aggregate Gross Income of tenants in a Low Income Unit, as of the most recent determination thereof, exceed one hundred forty percent (140%) of the applicable income limit for a Low Income Unit occupied by the same number of tenants, the next available unit of comparable or smaller size must be rented to (or held vacant and available for immediate occupancy by) Low Income Tenant(s). The unit occupied by such tenants whose aggregate Gross Income exceeds such applicable income limit shall continue to be treated as a Low Income Unit for purposes of the 40% requirement of clause (a) under “Low Income Tenants; Reporting Requirements,” below unless and until an Available Unit of comparable or smaller size is rented to persons other than Low Income Tenants.

(c) For the Qualified Project Period, the Borrower shall obtain from a third party provider an Income Certification for each Low Income Tenant, including (i) an Income Certification dated immediately prior to the initial occupancy of such Low Income Tenant in the unit, and (ii) thereafter, an annual Income Certification with respect to each Low Income Tenant on or about June 30th of each year. The Borrower will also obtain and provide such additional information as may be required in the future by the Code, the State or the Issuer, as the same may be amended from time to time, or in such other form and manner as may be required by applicable rules, rulings, policies, procedures, Regulations or other official statements now or thereafter promulgated, proposed or made by the Department of the Treasury or the Internal Revenue Service with respect to Tax-Exempt obligations. Copies of Income Certifications for Low Income Tenants shall be sent to the Issuer, and shall be retained in the Borrower’s files for a period of three (3) years and shall be available for inspection by the Issuer or its agents upon request.

(d) The Borrower shall make a good faith effort to verify that the income information provided by an applicant in an Income Certification is accurate by taking one or more of the following steps as a part of the verification process: (1) obtain pay stubs for the three most recent pay periods, (2) obtain an income tax return for the most recent tax year, (3) obtain a credit report or conduct a similar type of credit search, (4) obtain an income verification from the applicant’s current employer, (5) obtain an income verification from the Social Security Administration and/or the California Department of Social Services if the applicant receives assistance from either of such agencies, or (6) if the applicant is unemployed and does not have an income tax return, obtain another form of independent verification reasonably acceptable to the Issuer.

(e) The Borrower will maintain complete and accurate records pertaining to the Low Income Units, and will permit any duly authorized representative of the Issuer, the Trustee, the Program Monitor, the Department of the Treasury or the Internal Revenue Service to inspect the books and records of the Borrower pertaining to the Project, including those records pertaining to the occupancy of the Low Income Units.

(f) The Borrower will prepare and submit to the Program Monitor, on behalf of the Issuer, not less than annually, commencing not less than three months after the Closing Date, a Certificate of Continuing Program Compliance executed by the Borrower in substantially the form attached as an exhibit to the Tax Regulatory Agreement and a Program Report in substantially the form attached as an exhibit to the Tax Regulatory Agreement; provided, if required by the Program Monitor, the Borrower shall submit such information in electronic form to such party as may be specified by the Program Monitor. During the Qualified Project Period, the Borrower shall submit a completed Internal Revenue Code Form 8703 or such other annual certification as required by the Code with respect to the Project, to the Secretary of the Treasury on or before March 31 of each year (or such other date as may be required by the Code).

(g) For the Qualified Project Period, all tenant leases or rental agreements shall be subordinate to the Tax Regulatory Agreement and the Deed of Trust. All leases pertaining to Low Income Units shall contain clauses, among others, wherein each tenant who occupies a Low Income Unit: (i) certifies the accuracy of the statements made by such tenant in the Income Certification; (ii) agrees that the family income and other eligibility requirements shall be deemed substantial and material obligations of the tenancy of such tenant, that such tenant will comply promptly with all requests for information with respect thereto from the Borrower, the Trustee, the Issuer or the Program Monitor on behalf of the Issuer, and that the failure to provide accurate information in the Income Certification or refusal to comply with a request for information with respect thereto shall be deemed a violation of a substantial obligation of the tenancy of such tenant; (iii) acknowledges that the Borrower has relied on the statements made by such tenant in the Income Certification and supporting information supplied by the Low Income Tenant in determining qualification for occupancy of a Low Income Unit, and that any material misstatement in such certification (whether or not intentional) will be cause for immediate termination of such lease or rental agreement; and (iv) agrees that the tenant's income is subject to annual certification in accordance with clause (c) under this "Low Income Tenants; Reporting Requirements," above, and that if upon any such certification the aggregate Gross Income of tenants in such unit exceeds the applicable income limit under clause (b) under this "Low Income Tenants; Reporting Requirements," above, the unit occupied by such tenant may cease to qualify as a Low Income Unit and such unit's rent may be subject to increase.

For purposes of this section, no unit occupied by a residential manager shall be treated as a rental unit during the time of such occupancy.

Term

The Tax Regulatory Agreement and all and several of the terms of the Tax Regulatory Agreement shall become effective upon its execution and delivery, and shall remain in full force and effect for the period provided in the Tax Regulatory Agreement and shall terminate as to any provision not otherwise provided with a specific termination date and shall terminate in its entirety at the end of the Qualified Project Period, it being expressly agreed and understood that the provisions of the Tax Regulatory Agreement are intended to survive the payment in full of the Bonds and discharge of the Indenture and the Financing Agreement.

The terms of the Tax Regulatory Agreement notwithstanding, the requirements of the Tax Regulatory Agreement shall terminate and be of no further force and effect in the event of involuntary noncompliance with the provisions of the Tax Regulatory Agreement caused by fire or other casualty, seizure, requisition, foreclosure, 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 Issuer from enforcing such provisions, or condemnation or a similar event, but only if, within a reasonable period, either the Bonds are retired or amounts received as a consequence of such event are used to provide a project that meets the requirements of the Tax Regulatory Agreement; provided, however, that the preceding provisions of this sentence shall cease to apply and the restrictions contained in the Tax Regulatory Agreement shall be reinstated if, at any time subsequent to the termination of such provisions as the result of the foreclosure or the delivery of a deed in lieu of foreclosure or a similar event, the Borrower or any related person (within the meaning of Section 1.103-10(e) of the Regulations) obtains an ownership interest in the Project for federal income tax purposes. The Borrower agrees that, following any foreclosure, transfer of title by deed in lieu of foreclosure or similar event, neither the Borrower nor any such related person as described above will obtain an ownership interest in the Project for federal tax purposes.

Notwithstanding any other provision of the Tax Regulatory Agreement, the Tax Regulatory Agreement may be terminated upon agreement by the Issuer and the Borrower, or the replacement of the Tax Regulatory Agreement by the Issuer, each with the consent of CDLAC, upon receipt by the Issuer of an opinion of Bond Counsel (with a copy to the Trustee) substantially to the effect that such termination will not, in and of itself, adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes. Upon the termination of the terms of the Tax Regulatory Agreement, the parties to the Tax Regulatory Agreement agree to execute, deliver and record appropriate instruments of release and discharge of the terms of the Tax Regulatory Agreement; provided, however, that the execution and delivery of such instruments shall not be necessary or a prerequisite to the termination of the Tax Regulatory Agreement in accordance with its terms.

Covenants to Run With the Land

Notwithstanding Section 1461 of the California Civil Code, the Borrower subjects the Project to the covenants, reservations and restrictions set forth in the Tax Regulatory Agreement. The Issuer and the Borrower declare their express intent that the covenants, reservations and restrictions set forth in the Tax Regulatory Agreement shall be deemed covenants running with the land and shall pass to and be binding upon the Borrower's successors in title to the Project; provided, however, that on the termination of the Tax Regulatory Agreement said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument thereafter 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.

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APPENDIX E

SUMMARY OF CERTAIN PROVISIONS OF THE INTERCREDITOR AGREEMENT

The Issuer, the Trustee and Freddie Mac have agreed upon their respective rights arising from an Event of Default under any Bond Financing Document in the Intercreditor Agreement. The following is a brief summary of certain provisions of the Intercreditor Agreement. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the full text of the Intercreditor Agreement, a copy of which is on file with the Trustee.

Under the terms of the Intercreditor Agreement, the Issuer, the Trustee and Freddie Mac have agreed, among other things, that, until either (a) Freddie Mac fails to honor a draw properly presented in accordance with the terms of the Credit Enhancement Agreement or (b) the Credit Enhancement Agreement terminates in accordance with its terms and all of the Borrower's obligations to Freddie Mac under the Reimbursement Agreement shall have been paid in full, and except as provided in Sections 3(C) and 3(D) of the Intercreditor Agreement, certain of the rights and remedies of the Issuer and the Trustee under certain of the Bond Financing Documents, including (without limitation) the rights and remedies as beneficiary under the Bond Mortgage or as a secured party with respect to the liens and security interests created by the Financing Agreement or the other Bond Documents or take any action to cause a redemption or mandatory tender of the Bonds or to declare the outstanding balance of the Bonds or the Bond Mortgage Note to be due pursuant to the Indenture or the Financing Agreement or to foreclose the lien of the Bond Mortgage, to seek the appointment of a receiver or to collect rents or realize upon any other collateral held as security for the Bonds, declare a default or event of default, or file or join in the filing of any judicial proceeding to collect the indebtedness secured by the Bond Mortgage, may be exercised only with the prior written consent or solely at the direction of Freddie Mac, in its sole discretion, including (without limitation) the right to waive certain terms and conditions of certain of the Bond Financing Documents pertaining to the Borrower.

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APPENDIX F

SUMMARY OF CERTAIN PROVISIONS OF THE REIMBURSEMENT AGREEMENT

The following is a brief summary of the Reimbursement and Security Agreement (the "Reimbursement Agreement"). The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the full text of the Reimbursement Agreement, a copy of which is on file with the Trustee.

Defined Terms

Capitalized terms used under this heading and not defined hereunder or elsewhere in this Official Statement will have the meanings assigned thereto in the Reimbursement Agreement.

General

The obligations of the Borrower to Freddie Mac with respect to payments made pursuant to the Credit Enhancement Agreement will be evidenced by the Reimbursement Agreement. Under the Reimbursement Agreement, the Borrower will be obligated to repay Freddie Mac all sums of money Freddie Mac has advanced to the Trustee under the Credit Enhancement Agreement. The Reimbursement Agreement also provides that the Borrower is to pay the Freddie Mac Credit Enhancement Fee, the Servicing Fee (as such fees are set forth in the Reimbursement Agreement), make scheduled monthly deposits to fund certain reserves (which have been established solely for the benefit of Freddie Mac) and other fees and expenses as provided therein.

Events of Default

The occurrence of any one or more of the following will constitute an Event of Default under the Reimbursement Agreement:

- (i) the Borrower fails to pay when due any amount payable by the Borrower under the Reimbursement Agreement, including, without limitation, any fees, costs or expenses;
- (ii) the Borrower fails to perform its obligations under the Reimbursement Agreement relating to maintaining the tax-exempt status of the Bonds, maintaining its character as a single purpose entity, amending or modifying its organizational documents without Freddie Mac's consent, dissolving or liquidating in whole or in part, permitting subordinate financings with respect to the Project or prepaying the Bond Mortgage Loan except in accordance with the Reimbursement Agreement;
- (iii) the Borrower shall fail to observe or perform any other term, covenant, condition or agreement set forth in the Reimbursement Agreement, which failure continues for a period of 30 days after notice of such failure by Freddie Mac to the Borrower (unless such default cannot with due diligence be cured within 30 days but can be cured within a reasonable period and will not, in Freddie Mac's sole discretion, adversely affect Freddie Mac or result in impairment of the Reimbursement Agreement, the Bond Mortgage, the Reimbursement Mortgage or any other Reimbursement Security Document, in which case no Event of Default shall be deemed to exist so long as Borrower shall have commenced to cure the default or Event of Default within 30 days after receipt of notice, and thereafter diligently and continuously prosecutes such cure to completion); provided, however, no such notice or grace periods shall apply in the case of any such

failure which could, in Freddie Mac's judgment, absent immediate exercise by Freddie Mac of a right or remedy under the Reimbursement Agreement, result in harm to Freddie Mac, impairment of the Reimbursement Agreement, the Bond Mortgage, the Reimbursement Mortgage or any other Reimbursement Security Document;

(iv) the Borrower shall fail to observe or perform any other term, covenant, condition or agreement set forth in any of the other Borrower Documents or there shall otherwise occur an "Event of Default" under the Reimbursement Mortgage, an event of default under the Conventional Loan Documents or an event of default under any of the other Borrower Documents (taking into account any applicable cure period)

(v) any representation or warranty made by or on behalf of the Borrower in the Reimbursement Agreement, in any other Borrower Document or in any certificate delivered by the Borrower to Freddie Mac or to the Freddie Mac Servicer pursuant to the Reimbursement Agreement or any other Borrower Document is inaccurate or incorrect in any material respect when made or deemed made;

(vi) the Borrower fails to pay the tax abatement prepayment in accordance with the Reimbursement Agreement in the event the tax abatement is not obtained;

(vii) the Borrower shall fail to complete all repairs and other rehabilitation in the time and manner required under the Rehabilitation Escrow Agreement; or

(viii) a default or event of default occurs under the terms of any other indebtedness permitted to be incurred by the Borrower (after taking into account any applicable notice and cure period).

Remedies

Upon the occurrence of an Event of Default, Freddie Mac may declare all the obligations of the Borrower under the Reimbursement Agreement to be immediately due and payable, in which case all such obligations will become due and payable, without presentment, demand, protest or notice of any kind, including notice of default, notice of intent to accelerate or notice of acceleration. In addition to the foregoing, Freddie Mac has the right to take such action at law or in equity, without notice or demand, as it deems advisable to protect and enforce the rights of Freddie Mac against the Borrower in and to the Project conveyed by the Reimbursement Mortgage or the Bond Mortgage, including, but not limited to, the following actions: (i) demand cash collateral or Qualified Investments in the full amount of the obligations under the Bonds whether or not then due and payable by Freddie Mac under the Credit Enhancement Agreement; (ii) give written notice to the Trustee stating that an Event of Default has occurred and is continuing under the Reimbursement and Security Agreement and directing the Trustee to accelerate or cause the mandatory redemption (or purchase in lieu) of the Bonds; (iii) exercise any rights and remedies available to Freddie Mac under any of the Borrower Documents; and (iv) exercise the same rights, powers, and remedies with respect to the UCC Collateral (as defined in the Reimbursement and Security Agreement) that the Borrower may exercise, which rights, powers, and remedies are incorporated therein by reference for all purposes. In furtherance and not in limitation of the foregoing, Freddie Mac shall have all rights, remedies and recourses with respect to the UCC Collateral granted in the Borrower Documents and any other instrument executed in connection therewith, or existing at common law or equity (including specifically those granted by the Uniform Commercial Code as adopted in the State and any other state in which the filing of a UCC financing statement is necessary to perfect Freddie Mac's security interest), the right of offset, the right to sell the UCC Collateral at public or private sale, and the right to receive distributions to the Borrower.

Freddie Mac has the right, to be exercised in its discretion, to waive any Event of Default under the Reimbursement and Security Agreement. Unless such waiver expressly provides to the contrary, any waiver so granted will extend only to the specific event or occurrence which gave rise to the Event of Default so waived and not to any other similar event or occurrence which occurs subsequent to the date of such waiver.

Amendments, Changes and Modifications

The Reimbursement and Security Agreement may be amended, changed, modified, altered or terminated only by a written instrument or written instruments signed by the parties to the Reimbursement and Security Agreement. No course of dealing between the Borrower and Freddie Mac and the Servicer, nor any delay in exercising any rights hereunder, shall operate as a waiver of any rights of Freddie Mac or the Servicer under the Reimbursement and Security Agreement. Unless otherwise specified in such waiver or consent, a waiver or consent given hereunder shall be effective only in the specific instance and for the specific purpose for which given.

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APPENDIX G

FORM OF CREDIT FACILITY — CREDIT ENHANCEMENT AGREEMENT

CREDIT ENHANCEMENT AGREEMENT

between

FEDERAL HOME LOAN MORTGAGE CORPORATION

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION
as Trustee**

**Relating to a
Bond Mortgage Loan
Securing**

**\$46,500,000*
CALIFORNIA HOUSING FINANCE AGENCY
LIMITED OBLIGATION MULTIFAMILY HOUSING REVENUE BONDS
(LAKESHORE VILLA APARTMENTS)
2026 Issue KK**

Dated as of October 1, 2026

* Preliminary, subject to change.

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CREDIT ENHANCEMENT AGREEMENT

THIS CREDIT ENHANCEMENT AGREEMENT (this “**Agreement**”) is made and entered into as of October 1, 2026, by and between the **FEDERAL HOME LOAN MORTGAGE CORPORATION** (“**Freddie Mac**”), a shareholder owned government sponsored enterprise organized and existing under the laws of the United States, and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION** (the “**Trustee**”), a national banking association, duly organized and existing under the laws of the United States, in its capacity as Trustee under a Trust Indenture dated as of October 1, 2026 (the “**Indenture**”), between the **CALIFORNIA HOUSING FINANCE AGENCY** (the “**Issuer**”), a joint exercise of powers agency organized and existing under the laws of the State of California, and the Trustee.

W I T N E S S E T H:

WHEREAS, the Issuer has issued its Multifamily Housing Revenue Bonds (Lakeshore Villa Apartments) 2026 Issue KK (the “**Bonds**”) in the original principal amount of \$46,500,000*; and

WHEREAS, pursuant to a Financing Agreement dated as of October 1, 2026 (the “**Financing Agreement**”) among the Issuer, the Trustee and Lakeshore Villa Apartments LP, a limited partnership duly organized and existing under the laws of the State of California (the “**Borrower**”), the Issuer has agreed to use the proceeds of the sale of Bonds to make a mortgage loan (the “**Bond Mortgage Loan**”) to the Borrower to finance the Project described therein; and

WHEREAS, the Borrower has agreed to use the proceeds of the Bond Mortgage Loan to provide for the acquisition and rehabilitation of the Project; and

WHEREAS, the Borrower’s repayment obligations in respect of the Bond Mortgage, Loan will be evidenced by a promissory note dated as of the Closing Date (together with all riders and addenda thereto, the “**Bond Mortgage Note**”) delivered to the Issuer and assigned by the Issuer to the Trustee; and

WHEREAS, to secure the Borrower’s obligations under the Bond Mortgage Note, the Borrower has executed and delivered for the benefit of the Issuer a Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated as of the Closing Date (the “**Bond Mortgage**”) with respect to the Project, which Bond Mortgage has been assigned by the Issuer to the Trustee pursuant to the Indenture; and

WHEREAS, in order to provide credit enhancement for the payment by the Borrower of amounts due under the Bond Mortgage Loan, the Borrower has requested that Freddie Mac enter into this Agreement with the Trustee, which permits the Trustee to make draws in an amount equal to Guaranteed Payments with respect to the Bond Mortgage Loan; and

WHEREAS, to evidence the Borrower’s reimbursement obligations to Freddie Mac for draws made hereunder, the Borrower and Freddie Mac are entering into a Reimbursement and Security Agreement contemporaneously with the execution and delivery hereof (the “**Reimbursement Agreement**”); and

WHEREAS, to secure the Borrower’s reimbursement obligations to Freddie Mac under the Reimbursement Agreement, the Borrower is executing and delivering for the benefit of Freddie Mac a Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (Reimbursement Mortgage) contemporaneously with the execution and delivery hereof (the “**Reimbursement Mortgage**”) with respect to the Project; and

* Preliminary, subject to change.

WHEREAS, the rights of the Issuer, the Trustee, and Freddie Mac to enforce remedies under the Bond Mortgage and the Reimbursement Mortgage, respectively, are governed by an Intercreditor Agreement dated as of October 1, 2026 among the Issuer, the Trustee, and Freddie Mac; and

WHEREAS, Berkadia Commercial Mortgage, LLC (the “**Servicer**”) will act as initial servicer for the Bond Mortgage Loan;

NOW, THEREFORE, in consideration of the fees to be paid to Freddie Mac, the material covenants and undertakings set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Freddie Mac and the Trustee do hereby agree as follows:

ARTICLE I. DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions All capitalized terms not otherwise specifically defined in this Agreement shall have the same meanings, respectively, as the defined terms contained in the Indenture or the Reimbursement Agreement, as applicable. Unless otherwise expressly provided in this Agreement or unless the context clearly requires otherwise, the following terms shall have the respective meanings set forth below for all purposes of this Agreement.

“*Agreement*” means this Credit Enhancement Agreement, as the same may be amended, supplemented or restated from time to time.

“*Available Amount*” means, at any time, an amount equal to the aggregate principal amount of Bonds Outstanding (initially, \$46,500,000*) plus an amount equal to all the accrued interest on the Bonds Outstanding for up to 189 days, computed on the basis of a 360-day year of twelve (12) thirty (30) day months, as reduced by that amount, if any, previously provided by Freddie Mac to the Trustee for payment of the Guaranteed Payment, such reduction to be in an amount equal to 100% of the amount of such Guaranteed Payment. Following any provision of funds under this Agreement, the amount provided (and the amount by which the Available Amount is reduced) shall be reinstated only as provided in Section 3.1(a)(iv).

“*Bond Mortgage*” means the Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (Bond Mortgage) dated as of the Closing Date together with all riders and addenda thereto, from the Borrower to the Issuer securing payment of the Bond Mortgage Loan, as the same may be amended, modified or supplemented from time to time, which Bond Mortgage has been assigned by the Issuer to the Trustee pursuant to the Indenture.

“*Bond Mortgage Loan*” means the loan in the original amount of \$46,500,000* by the Issuer to the Borrower pursuant to the Financing Agreement, as evidenced by the Bond Mortgage Note and secured by the Bond Mortgage.

“*Bond Mortgage Note*” means the Bond Mortgage Note dated as of the Closing Date delivered by the Borrower to the Issuer in the original principal amount of \$46,500,000*, together with all riders and addenda thereto, evidencing the Borrower’s obligation to repay the Bond Mortgage Loan, as the same may be amended, modified or supplemented from time to time, which promissory note has been assigned by the Issuer to the Trustee pursuant to the Indenture.

* Preliminary, subject to change.

“Bond Mortgage Payment Date” means (i) each Interest Payment Date (as defined in the Indenture) while the Bond Mortgage Loan is outstanding, commencing May 1, 2027* and (ii) any other date on which principal of the Bond Mortgage Note is paid.

“Bonds” means the Issuer’s Multifamily Housing Revenue Bonds (Lakeshore Villa Apartments) 2026 Issue KK issued in the original principal amount of \$46,500,000*.

“Borrower” means Lakeshore Villa Apartments LP, a limited partnership, duly organized and existing under the laws of the State of California, and any permitted successor to or assignee of its rights and obligations under the Bond Financing Documents.

“Business Day” means any day other than (a) a Saturday, (b) a Sunday, (c) a day on which the Federal Reserve Bank of New York (or other agent acting as Freddie Mac’s fiscal agent) is authorized or obligated by law or executive order to remain closed, (d) a day on which the permanent home office of Freddie Mac is closed, or (e) a day on which (1) banking institutions in the City of New York or in the city in which the Principal Office of the Trustee or the permanent home office of Freddie Mac is located are authorized or obligated by law or executive order to be closed or (2) the New York Stock Exchange is closed.

“Closing Date” means the date Freddie Mac executes and delivers this Agreement.

“Custodian” means U.S. Bank Trust Company, National Association, not in its individual capacity but solely in its capacity as collateral agent for Freddie Mac, and any successor thereto in such capacity.

“Draw Request” means a demand for payment delivered by the Trustee to Freddie Mac pursuant to Section 3.1(a)(i) of this Agreement.

“Event of Default” means the occurrence of an event of default as described in Section 6.1.

“Financing Agreement” means the Financing Agreement dated as of October 1, 2026 among the Issuer, the Trustee and the Borrower, as may amended or supplemented from time.

“Freddie Mac” means the Federal Home Loan Mortgage Corporation, a shareholder-owned government-sponsored enterprise organized and existing under the laws of the United States of America, and its successors and assigns.

“Freddie Mac Credit Enhancement Payment” means the amount required to be paid by Freddie Mac to the Trustee with respect to any Guaranteed Payment pursuant to Section 3.1(a)(i).

“Freddie Mac Reimbursement Amount” shall have the meaning set forth in the Reimbursement Agreement.

“Freddie Mac Trustee E-mail Account” means the Freddie Mac established e-mail account for receipt of notices, inquires and other communications from bond trustees. The e-mail address for the Freddie Mac Trustee E-mail Account is MFLA_Trustees@freddiemac.com or such other e-mail address as Freddie Mac may designate from time to time.

“Freddie Mac Trustee Hotline” means the Freddie Mac established telephone hotline for bond trustees. The hotline number is (703) 714-4177 or such other phone number as Freddie Mac may designate from time to time.

* Preliminary, subject to change.

“*Guaranteed Payment*” is defined within the definition of Required Bond Mortgage Payment herein.

“*Guide*” means, collectively, the Freddie Mac Delegated Underwriting for Targeted Affordable Housing Guide and Freddie Mac Multifamily Seller/Servicer Guide (as applicable), as the same may be amended, modified or supplemented from time to time.

“*Indenture*” means that certain Trust Indenture dated as of October 1, 2026 between the Issuer and the Trustee pursuant to which the Bonds are issued and secured, as the same may be amended, supplemented or restated from time to time.

“*Interest Component*” shall have the meaning provided in the definition of Required Bond Mortgage Payment and Guaranteed Payment, as applicable.

“*Issuer*” means the California Housing Finance Agency, a joint exercise of powers agency organized and existing under the laws of the State of California, and its successors.

“*Notice*” means any notice delivered by the Trustee to Freddie Mac pursuant to Section 3.1(a)(i), in the form set forth in **Exhibit A** hereto.

“*Pledge Agreement*” means the Pledge, Security and Custody Agreement dated as of October 1, 2026, among the Borrower, Freddie Mac and the Custodian, as the same may be amended, supplemented or restated from time to time.

“*Principal Component*” shall have the meaning provided in the definition of Required Bond Mortgage Payment and Guaranteed Payment, as applicable.

“*Purchase Price*” means, with respect to any Bond purchased in lieu of redemption pursuant to Section 3.06 of the Indenture, the principal amount of each Bond plus any redemption premium due thereon plus interest accrued to the Settlement Date. No portion of the Purchase Price consisting of any redemption premium shall be payable from funds drawn under this Agreement.

“*Purchased Bond*” means any Bond purchased pursuant to Section 3.06 of the Indenture during the period from and including the date of its purchase in lieu of redemption by the Trustee on behalf of the Borrower with amounts provided by Freddie Mac under this Agreement.

“*Reimbursement Agreement*” means the Reimbursement and Security Agreement dated as of October 1, 2026, between the Borrower and Freddie Mac, as the same may be amended, supplemented or restated from time to time.

“*Reimbursement Mortgage*” means the Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (Reimbursement Mortgage) dated as of the Closing Date from the Borrower to Freddie Mac, together with all riders and addenda thereto, granting a second priority mortgage and security interest in the Project to Freddie Mac to secure the obligations of the Borrower under the Reimbursement Agreement and all documents related thereto, as the same may be amended, supplemented or restated from time to time.

“*Required Bond Mortgage Payment*” and “*Guaranteed Payment*” mean the sum of the applicable Interest Component and the applicable Principal Component, as follows:

	Interest Component	Principal Component
Required Bond Mortgage Payment	(i) The regularly scheduled payment of interest due on the unpaid principal balance of the Bond Mortgage Loan, adjusted solely as provided in Section 3.4, (ii) upon optional or mandatory prepayment of the Bond Mortgage Loan, all accrued and unpaid interest on the amount prepaid and (iii) on the maturity date or upon acceleration of the Bond Mortgage Note, all accrued and unpaid interest thereon.	(i) The regularly scheduled payment of principal, on the Bond Mortgage Note, if any, (ii) upon optional or mandatory prepayment of the Bond Mortgage Loan, the principal amount of the Bond Mortgage Note being prepaid and (iii) on the maturity date or upon acceleration of the Bond Mortgage Note, the unpaid principal balance of the Bond Mortgage Note.
Guaranteed Payment	The Interest Component of the corresponding Required Bond Mortgage Payment.	(i) The regularly scheduled payment of principal, on the Bond Mortgage Note, if any (ii) upon optional or mandatory prepayment of the Bond Mortgage Loan, the principal amount of the Bond Mortgage Note being prepaid and (iii) on the maturity date or upon acceleration of the Bond Mortgage Note, the unpaid principal balance of the Bond Mortgage Note.

For the purpose of this Agreement only, regularly scheduled monthly deposits to the Credit Facility Principal Reimbursement Account of the Credit Facility Reimbursement Fund, as provided in the Reimbursement Agreement, or other escrows required by the Bond Mortgage or the Reimbursement Mortgage are not included in the Required Bond Mortgage Payment or Guaranteed Payment.

“*Servicer*” means the eligible servicing institution designated by Freddie Mac from time to time (which may be Freddie Mac if Freddie Mac elects to service the Bond Mortgage Loan), or its successor, as servicer of the Bond Mortgage Loan. Initially, the Servicer shall be Berkadia Commercial Mortgage, LLC.

“*State*” means the State of California.

“*Termination Date*” means the first to occur of (a) the date the Bonds shall have been paid in full, (b) the date all of the Bonds shall have been redeemed or purchased in lieu of redemption in accordance with the provisions of Section 3.2 of this Agreement, (c) November 6, 2042*, and (d) the date on which the Trustee, after having received sufficient funds to redeem all of the Bonds Outstanding in accordance with the terms of the Indenture, shall have released the lien of the Indenture and shall have paid to Freddie Mac all amounts required to be paid under the Indenture, the Financing Agreement, the Reimbursement Agreement, this Agreement and any other Bond Financing Document.

* Preliminary; subject to change.

“Trustee” means U.S. Bank Trust Company, National Association, and its successors and any other corporation or association resulting from or surviving any consolidation or merger to which it or its successors may be a party or succeeding to all or substantially all of its corporate trust business and any successor trustee at any time serving as successor trustee under the Indenture.

“Wire Request System” means the Freddie Mac web-based application known as “MultiSuite for Bonds - Wire Request System,” which is designed to facilitate the payment of Draw Requests. The Wire Request System is to be used by the Trustee to conduct electronic transactions with Freddie Mac and is accessible only via Freddie Mac’s website at the following URL: <https://mf.freddiemac.com/lenders/reporting>. For instructions on how to register and use the Wire Request System, please call the Freddie Mac Trustee Hotline.

Section 1.02 Interpretation. In this Agreement, unless the context otherwise requires, words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include partnerships, limited liability companies, corporations 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. Any reference in this Agreement to an “Exhibit”, a “Section”, a “Subsection”, a “Paragraph” or a “subparagraph” shall, unless otherwise explicitly provided, be construed as referring, respectively, to an Exhibit attached to this Agreement, a section of this Agreement, a subsection of the section of this Agreement in which the reference appears, a paragraph of the subsection within this Agreement in which the reference appears, or a subparagraph of the paragraph within which the reference appears. All Exhibits attached to or referred to in this Agreement are incorporated by reference into this Agreement.

ARTICLE II. REPRESENTATIONS

Section 2.01 Representations by Freddie Mac. Freddie Mac represents and warrants that:

(a) It is a shareholder-owned government-sponsored enterprise organized and existing under the laws of the United States of America.

(b) This Agreement is a valid and binding obligation of Freddie Mac, the making and performance of which by Freddie Mac have been duly authorized by all necessary corporate and other action and neither the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the terms and conditions of this Agreement by Freddie Mac conflicts with, results in a breach of, or is a default under, in any material respect, any of the terms, conditions or provisions of any legal restriction or any instrument to which Freddie Mac is now a party or by which Freddie Mac is bound, or constitutes a violation of any law regulating the affairs of Freddie Mac or internal governing documents of Freddie Mac, and will not result in the creation of any prohibited encumbrance upon any of its assets.

Section 2.02 Representations by Trustee. The Trustee represents, warrants and covenants that:

(a) It is a national banking association, duly organized and existing under the laws of the United States, has the power (including trust powers) and authority to accept and execute trusts, has duly accepted its appointment as Trustee under the Indenture, and all corporate action required to authorize acceptance of such appointment as Trustee under the Indenture, the execution, delivery and performance of the Indenture and this Agreement, and consummation of the transactions contemplated thereby and hereby, has been duly taken.

(b) It acknowledges that Freddie Mac has certain rights with respect to the Bond Mortgage Loan and the Bond Mortgage pursuant to the Intercreditor Agreement.

(c) It has furnished wire instructions, which are correctly set forth in Section 5.5, to Freddie Mac for Freddie Mac to make payments under this Agreement by wire transfer and will advise Freddie Mac, in writing, of any change to such instructions utilizing the form attached hereto as **Exhibit B** not less than five (5) Business Days prior to the effective date thereof.

ARTICLE III. CREDIT ENHANCEMENT

Section 3.01 Credit Enhancement Payments.

(a) (i) On each Bond Mortgage Payment Date, a portion of the Available Amount in an amount not to exceed the aggregate principal amount of the Bonds Outstanding (initially, \$46,500,000*) is available for the payment of the Principal Component of the Guaranteed Payment and a portion of the Available Amount in an amount not to exceed the accrued interest on the Bonds Outstanding for up to 189 days (calculated as provided in the definition of Available Amount), is available for the payment of the Interest Component of the Guaranteed Payment, subject to reduction and reinstatement as provided in Section 3.1(a)(iv). Funds shall be made available to the Trustee for such payment against delivery by the Trustee of a demand for payment (each a “**Draw Request**”). Until Freddie Mac provides the Trustee with written or electronic notice to the contrary, the Trustee shall deliver Draw Requests to Freddie Mac using the Wire Request System. If, for any reason, the Trustee is unable to deliver a Draw Request electronically for processing a payment using the Wire Request System, the Trustee shall notify Freddie Mac immediately via the Freddie Mac Trustee Hotline and Freddie Mac Trustee E-mail Account and deliver that Draw Request by facsimile or electronic transmission, immediately confirmed by overnight delivery service, of a Notice, in the form set forth in **Exhibit A** hereto, to Freddie Mac at (571) 382-4798, if by facsimile transmission, or the Freddie Mac Trustee E-mail Account, if by electronic transmission (or to such other facsimile number or e-mail address or using such other means of electronic or telephonic communication as Freddie Mac shall designate in writing); provided that Freddie Mac may waive in writing the requirement of confirmation by overnight delivery service. If a Draw Request is made in strict conformity with the terms and conditions hereof, payment shall be made to the Trustee in immediately available funds (A) if such Draw Request is received by Freddie Mac by 12:00 Noon (Washington, D.C. time) on any Business Day, not later than 2:00 p.m. (Washington, D.C. time) on the next Business Day, and (B) if such Draw Request is so received after 12:00 Noon (Washington, D.C. time) on any Business Day, not later than 2:00 p.m. (Washington, D. C. time) on the second succeeding Business Day.

(ii) Notwithstanding any other provision of this Agreement, Freddie Mac shall have no obligation under any circumstance to make a Freddie Mac Credit Enhancement Payment or any other payment under this Agreement with respect to any prepayment premium or other prepayment charge payable on the Bond Mortgage Loan or due under the Bond Mortgage Note (or which may in any way relate to the Bonds, including any redemption premium on the Bonds), any reserve funds that are funded from Bond proceeds, any negative arbitrage or investment losses with respect to reserve amounts held by the Trustee under the Indenture, and Freddie Mac’s obligation with respect to the payment of interest under this Section is limited to the Interest Component of the related Guaranteed Payment. In no event shall Freddie Mac be obligated to make a payment under Section 3.1(a) in excess of the Guaranteed Payment. The provisions of this Paragraph (a)(ii) shall in no way affect the obligation of Freddie Mac to make payment of principal to the extent elsewhere provided in this Section.

* Preliminary, subject to change.

(iii) Intentionally Omitted.

(iv) Upon a payment under this Agreement, the Available Amount and the amount thereof available (A) for the payment of the Principal Component of the Guaranteed Payment, shall be automatically reduced by an amount equal to the amount of such payment for such purpose and (B) for the payment of the Interest Component of the Guaranteed Payment, shall be automatically reduced by an amount equal to the amount of such payment for such purpose. The obligation of Freddie Mac to pay the Principal Component of the Guaranteed Payment shall not be reinstated. The obligation of Freddie Mac to pay the Interest Component of the Guaranteed Payment shall be reinstated, up to the maximum amount set forth in Section 3.1(a)(i) for such purpose, automatically on the day following the provision of funds by Freddie Mac for payment of such Interest Component.

(b) Intentionally Omitted.

(c) Payments required to be made pursuant to this Agreement shall be made from any source legally available to Freddie Mac, other than funds of the Borrower or the Issuer.

(d) Intentionally Omitted.

(e) This Agreement shall become effective upon its execution and delivery by Freddie Mac and the Trustee and shall cease to be in effect on the Termination Date.

The Trustee hereby expressly acknowledges and agrees that Freddie Mac shall have no liability to the Trustee or to the Bondholders for any failure to make full and timely payment of principal or interest on the Bonds resulting from a deficiency of moneys therefor under the Indenture if the Trustee shall not have delivered, in the manner and at the time required by this Agreement, a Notice under Section 3.1 hereof or any other notice required in this Agreement as a condition precedent to payment thereunder by Freddie Mac.

Section 3.02 Right of Freddie Mac to Cause Redemption, Purchase in Lieu of Redemption or Acceleration of Bonds.

(a) Subject to the provisions of the Indenture, Freddie Mac shall have the right to direct the Trustee to provide notice of redemption or purchase in lieu of redemption of the Bonds to the extent and upon the terms described in the Indenture, provided that Freddie Mac agrees to honor a Notice given in accordance with this Agreement to pay to the Trustee the full redemption price or Purchase Price of the Bonds upon the redemption or purchase in lieu of redemption thereof.

(b) If Freddie Mac pays the Purchase Price of the Bonds in accordance with a purchase in lieu of redemption thereof pursuant to Section 3.06 of the Indenture, subsequent to its date of purchase Freddie Mac or an entity designated by Freddie Mac in accordance with Section 3.06 of the Indenture, as the case may be, may on any day elect to present all or a portion of such Bonds to the Trustee for cancellation pursuant to Section 3.07 of the Indenture.

(c) Freddie Mac shall have the right to cause an acceleration of the Bonds pursuant to Section 6.02 of the Indenture provided the conditions set forth therein have been satisfied. In such event, Freddie Mac shall pay to the Trustee the entire principal amount of the Bonds, together with accrued interest thereon to the date of acceleration of the Bonds.

(d) Upon the payment by Freddie Mac of the redemption price or Purchase Price of the Bonds as provided in Sections 3.2(a), (b) or (c) all payment obligations of Freddie Mac under Section 3.1 with

respect to such Bonds to the extent of such payment shall thereupon terminate, other than payment obligations becoming due and owing prior to the date of such payment.

Section 3.03 Nature of the Trustee's Rights. The right of the Trustee to receive payments from Freddie Mac pursuant to Sections 3.1 and 3.2 shall not be diminished by any rights of set-off, recoupment or counterclaim Freddie Mac might otherwise have against the Issuer, the Trustee, the Borrower or any other person. Notwithstanding the foregoing, this Section 3.3 shall not be construed: to release the Trustee or the Issuer from any of their respective obligations hereunder or under the Indenture; except as provided in this Section, to prevent or restrict Freddie Mac from asserting any rights which it may have against the Issuer, the Trustee or the Borrower under this Agreement, the Indenture, the Intercreditor Agreement, the Bond Mortgage Loan or any provisions of law; or to prevent or restrict Freddie Mac, at its own cost and expense, from prosecuting or defending any action or proceeding by or against the Issuer, the Trustee or the Borrower or taking any other actions to protect or secure its rights; provided, however that any recovery against the Issuer is limited to the amounts held under the Indenture.

Section 3.04 Adjustments to Required Bond Mortgage Payments and Guaranteed Payments. In connection with any partial principal prepayments of amounts owing under the Bond Mortgage Note, the Interest Component of the Required Bond Mortgage Payment shall be adjusted only upon the redemption of Bonds in the amount of such principal prepayment.

ARTICLE IV. FREDDIE MAC REIMBURSEMENTS

Section 4.01 Reimbursements.

(a) For each Freddie Mac Credit Enhancement Payment made by Freddie Mac, Freddie Mac shall be entitled to receive reimbursement under the Reimbursement Agreement in the amount of the Freddie Mac Reimbursement Amount. If the Trustee shall have received a Freddie Mac Credit Enhancement Payment from Freddie Mac with respect to any particular Guaranteed Payment and the Trustee shall have received or shall thereafter receive from the Borrower all or any portion of such Guaranteed Payment or any other amount in lieu of such Guaranteed Payment, the Trustee shall promptly reimburse to Freddie Mac, from any such amounts received from the Borrower, the Freddie Mac Credit Enhancement Payment paid by Freddie Mac as provided in the Indenture.

(b) The Trustee shall maintain records of all Freddie Mac Credit Enhancement Payments received from Freddie Mac hereunder. The Trustee shall, upon receipt of a written request of Freddie Mac, cooperate with Freddie Mac and the Servicer in connection with the reconciliation of the Trustee's records maintained pursuant to this Subsection and any similar records maintained by Freddie Mac or the Servicer.

ARTICLE V. COVENANTS

Section 5.01 Annual Reports. Freddie Mac registered its common stock with the U.S. Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934 (the "Exchange Act"), effective July 18, 2008. As a result, Freddie Mac files annual, quarterly and current reports, proxy statements and other information with the SEC. Any document that Freddie Mac files with the SEC may be read and copied at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. These SEC filings are also available to the public from the SEC's web site at <http://www.sec.gov>.

Section 5.02 Notice of Certain Events. The Trustee shall promptly give notice by facsimile or electronic transmission to Freddie Mac at (571) 382-4798, if by facsimile transmission, or the Freddie Mac Trustee E-mail Account, if by electronic transmission, of (i) the occurrence of any Event of Default under

the Indenture or any event which, with the passage of time or service of notice, or both, would constitute an Event of Default thereunder of which the Trustee has actual knowledge, specifying the action taken or proposed to be taken with respect to such event, and (ii) each proposed redemption of Bonds and the amount thereof, in writing, not later than 20 days (or as soon as practicable after receiving notice or other information that such a redemption is expected to occur, if such proposed redemption is to be effected with less than 20 days' prior notice in accordance with the Indenture) prior to such redemption, other than scheduled mandatory sinking fund redemptions.

Section 5.03 Amendment of Documents. So long as no Event of Default hereunder shall have occurred and be continuing, the Trustee will not amend or modify, or consent to any amendment or modification of any Bond Financing Document without the prior written consent of Freddie Mac.

Section 5.04 Replacement of Servicer. The Trustee acknowledges that, under certain circumstances set forth in the Guide, Freddie Mac shall have the right to terminate the Servicer's servicing of the Bond Mortgage Loan and to transfer the servicing of the Bond Mortgage Loan to a successor servicer in accordance with the Guide. Freddie Mac will promptly notify the Trustee upon termination of the Servicer and the appointment of a successor servicer.

Section 5.05 Wiring Information. All payments under this Agreement may be made by means of wire transfer of funds to the Trustee to the following account or such other account as the Trustee may specify in writing from time to time:

U.S. Bank Trust Company, National Association
BANK: U.S. Bank N.A.
ABA: 091000022
BNF: U.S. BANK NATIONAL ASSOCIATION
BNF Account Number: 180121167365
BNF Account Address: 60 Livingston Ave, St Paul, MN 55107
Reference: 285358005 Credit Facility Account
(Revenue Fund) 4.01 Subaccount Receives credit facility draws

ARTICLE VI. DEFAULT AND REMEDIES

Section 6.01 Events of Default. Any one or more of the following acts or occurrences shall constitute an Event of Default hereunder:

- (a) Failure by Freddie Mac to pay any amounts due under Section 3.1 or 3.2 when due; or
- (b) Failure by Freddie Mac to perform or observe any of its covenants, agreements or obligations hereunder, except a failure described in (a) above, if the same shall remain uncured for a period of 45 days after written notice of such failure shall have been given by the Trustee to Freddie Mac; provided, however, that if such default is curable but requires acts to be done or conditions to be remedied which, by their nature, cannot be done or remedied within such 45-day period, no Event of Default shall be deemed to have occurred if Freddie Mac shall commence such acts or remedies within such 45-day period and thereafter, in the opinion of the Trustee, diligently pursue the same to completion; or
- (c) any governmental authority shall require Freddie Mac to suspend its operations for more than three (3) Business Days (unless such requirement is applicable to corporate instrumentalities or financial institutions generally in the United States), or require the sale or transfer of all or substantially all of the assets of Freddie Mac.

Section 6.02 Remedies of Trustee. Upon the occurrence and continuance of any Event of Default by Freddie Mac hereunder, unless such Event of Default has been cured, the Trustee may take any one or more of the following steps, at its option:

(1) by action at law or in equity, require Freddie Mac to perform its covenants and obligations hereunder, or enjoin any acts which may be unlawful or in violation of the rights of the Trustee; and

(2) take whatever other action at law or in equity may appear necessary or desirable to enforce any monetary obligation of Freddie Mac hereunder, or to enforce any other obligations, covenant or agreement of Freddie Mac hereunder.

The above provisions are subject to the condition that if, after any Event of Default hereunder, all amounts which would then be payable hereunder by Freddie Mac if such Event of Default had not occurred and were not continuing, shall have been paid by or on behalf of Freddie Mac, and Freddie Mac shall have also performed all other obligations in respect of which it is then in default hereunder to the satisfaction of the Trustee, then such Event of Default may be waived and annulled, but no such waiver or annulment shall extend to or affect any subsequent Event of Default or impair any consequent right or remedy.

Section 6.03 Remedies Not Exclusive. No remedy conferred in this Agreement or reserved to the Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 6.04 Restoration of Rights and Remedies. If the Trustee shall have instituted any proceeding to enforce any right or remedy under this Agreement and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the party instituting such proceeding, then and in every such case Freddie Mac, and the Trustee shall, subject to any determination in such proceeding, be restored to their former positions hereunder and thereafter all rights and remedies of the Trustee shall continue as though no such proceeding had been instituted.

ARTICLE VII. MISCELLANEOUS PROVISIONS

Section 7.01 Interest of Bondholders. The payments to be made by Freddie Mac hereunder are to be pledged by the Trustee to secure payment of the principal or redemption price of and interest on the Bonds (including the Purchase Price in connection with any purchase in lieu of redemption pursuant to Section 3.06 of the Indenture).

Section 7.02 Amendment. This Agreement shall be amended only by an instrument in writing executed on behalf of the parties by their duly authorized representatives.

Section 7.03 No Individual Liability. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any member of the Board of Directors of Freddie Mac or any officer, agent, employee or representative of Freddie Mac, or the Trustee, in his or her individual capacity and none of such persons shall be subject to any personal liability or accountability by reason of the execution of this Agreement, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty, or otherwise.

Section 7.04 Notices. All notices, certificates and other written communications shall be sufficiently given and shall be deemed to be given (unless another form of notice shall be specifically set forth in this Agreement) on the Business Day following the date on which the same shall have been delivered to a national overnight delivery service (receipt of which to be evidenced by a signed receipt for overnight delivery service) with arrangements made for payment of all charges for next business day delivery, addressed as follows (provided that any of such addresses may be changed at any time upon written notice of such change sent, as provided in this Section, to the other party):

To Freddie Mac: Federal Home Loan Mortgage Corporation
8100 Jones Branch Drive, MS B2E
McLean, Virginia 22102
Attention: Multifamily Operations – Loan Accounting
Telephone: (703) 714-4177

with a copy to:

Federal Home Loan Mortgage Corporation
8200 Jones Branch Drive, MS 210
McLean, Virginia 22102
Attention: Managing Associate General Counsel – Multifamily
Legal Division
E-Mail: guy_nelson@freddiemac.com
Telephone: (703) 903-2000

with a copy to:

Federal Home Loan Mortgage Corporation
8100 Jones Branch Drive
MS B2E
McLean, Virginia 22102
Attention: Multifamily Operations - Loan Accounting
E-mail: mfla_trustees@freddiemac.com
Trustee Hotline: (703) 714-4177

To the Trustee: U.S. Bank Trust Company, National Association
633 W. Fifth Street, 24th Floor
Los Angeles, CA 90071
Attention: Global Corporate Trust
Email: nabeel.badawi@usbank.com
Telephone: (213) 615-6199

Notwithstanding anything herein to the contrary, copies of account statements shall be sent to the attention of Freddie Mac's Director of Multifamily Loan Accounting at the above address.

Section 7.05 Governing Law. This Agreement shall be construed, and the rights and obligations of Freddie Mac and the Trustee hereunder determined in accordance with federal statutory or common law (“**federal law**”). Insofar as there may be no applicable rule or precedent under federal law and insofar as to do so would not frustrate the purposes of any provision of this agreement, the local law of the Commonwealth of Virginia shall be deemed reflective of federal law. The parties agree that any legal actions between Freddie Mac and the Trustee regarding each party hereunder shall be originated in the United States District Court in and for the Eastern District of Virginia, and the parties hereby consent to the

jurisdiction and venue of said Court in connection with any action or proceeding initiated concerning this Agreement.

Section 7.06 Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity of any other provision, and all other provisions shall remain in full force and effect.

Section 7.07 Multiple Counterparts. This Agreement may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument and each of which shall be, and shall be deemed to be, an original.

Section 7.08 Successor Trustee. This Agreement and all of the rights and obligations of the Trustee in this Agreement shall be automatically transferred and assigned to a successor Trustee appointed or acting pursuant to the Indenture.

Section 7.09 Assignment. Except as provided in Section 7.8 hereof, this Agreement and the rights of the Trustee created hereby may not be assigned or transferred by the Trustee.

Section 7.10 Acceptance. The Trustee accepts the duties imposed upon it by this Agreement and agrees to perform those duties but only upon and subject to the following express terms and conditions:

(a) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Agreement and no implied covenants or obligations shall be read into this Agreement against the Trustee;

(b) as to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceedings, the Trustee shall be entitled to rely in good faith upon a certificate purportedly signed by an authorized signatory of Freddie Mac as sufficient evidence of the facts contained in such certificate;

(c) the permissive right of the Trustee to do things enumerated in this Agreement shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful misconduct;

(d) none of the provisions contained in this Agreement shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers under this Agreement except for any liability of the Trustee arising from its own negligence or willful misconduct;

(e) the Trustee is entering into this Agreement solely in its capacity as Trustee under the Indenture and not in its individual or corporate capacity; and

(f) all of the provisions of the Indenture related to the duties, obligations, standard of care, protections and immunities from liability afforded the Trustee under the Indenture shall apply to the Trustee under this Agreement.

[Signatures follow]

IN WITNESS WHEREOF, the parties hereto have caused this Credit Enhancement Agreement to be duly executed by their duly authorized officers or representatives.

**FEDERAL HOME LOAN MORTGAGE
CORPORATION**

By: _____
Name:
Title:

[FREDDIE MAC SIGNATURE PAGE TO LAKESHORE VILLA APARTMENTS CREDIT ENHANCEMENT
AGREEMENT]

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Trustee**

By: _____
Name:
Title:

[TRUSTEE'S SIGNATURE PAGE TO LAKESHORE VILLA APARTMENTS CREDIT ENHANCEMENT
AGREEMENT]

EXHIBIT A

FORM OF NOTICE UNDER SECTION 3.1(a)(i)

Federal Home Loan Mortgage Corporation
8100 Jones Branch Drive, MS B2E
McLean, VA 22102
Attention: Multifamily Operations - Loan Accounting
Facsimile: (571) 382- 4798

Project Name: Lakeshore Villa Apartments

Related Bonds: \$46,500,000* California Housing Finance Agency Limited Obligation
Multifamily Housing Revenue Bonds (Lakeshore Villa Apartments) 2026 Issue
KK

CUSIP Number: _____

Loan No.: _____ Date of Notice: _____

CERTIFICATE FOR THE PAYMENT OF GUARANTEED PAYMENT

**under Section 3.1(a)(i) of Credit Enhancement Agreement between
Freddie Mac and the undersigned, as Trustee, dated as of [_____] 1, 2026 relating to the Bond Mortgage Loan securing the Bonds
referenced above**

Bond Mortgage Payment Date: _____, ____
Guaranteed Payment: \$ _____

NOTICE is hereby given that on the Bond Mortgage Payment Date set forth above, a Freddie Mac Credit Enhancement Payment in the amount equal to the Guaranteed Payment, of which amount \$ _____ represents the Interest Component and \$ _____ represents the Principal Component, is due. The amount of the Guaranteed Payment has been determined pursuant to the above-referenced Credit Enhancement Agreement.

REQUEST is hereby made for payment by Freddie Mac of such Freddie Mac Credit Enhancement Payment in accordance with the Credit Enhancement Agreement.

U.S. Bank Trust Company, National Association, as Trustee

Authorized Signature: _____
Name: _____
Title: _____

* Preliminary, subject to change.

EXHIBIT B

FREDDIE MAC MULTIFAMILY

BOND WIRE INSTRUCTION CHANGE REQUEST FORM

Freddie Mac Internal Use:

Loan Accounting Approval Date

MF Operations Approval

Date

Bond Trustee – Please complete all required (*) fields. This wire instruction change applies only to the Freddie Mac loan number(s) referenced below.

A. Trustee's Prior Wire Instructions:

Bond Property Name (Beneficiary): _____

***Freddie Mac Loan Number(s):** _____

***Bank Name:** _____

***Bank City:** _____

***Bank State:** _____

***ABA Number:** _____

***Account Number:** _____

Further Credit Instructions:

Name of Final Credit Party: _____

Final Credit Party Account Number: _____

B. Trustee's New Wire Instructions:

Bond Property Name:_____

***Freddie Mac Loan Number(s):** _____

***Bank Name:** _____

***Bank City:**_____

***Bank State:** _____

***ABA Number:**_____

***Account Number:**_____

Further Credit Instructions:

Name of Final Credit Party:_____

Final Credit Party Account Number:_____

Effective Date of Notice:_____, *which date is at least
five (5) Business Days after the date of this notice.*

As of the Effective Date set forth above, all wires of funds to the Trustee for the above-referenced Freddie Mac loan number(s) pursuant to the Wire Request System shall be transmitted using the new wire instructions set forth in this notice.

[EXHIBIT B CONTINUES ON FOLLOWING PAGE]

C. **Trustee Authorized Signature:**

Each of the undersigned hereby represents and warrants to Freddie Mac that he/she is a duly appointed officer of the Trustee who is duly authorized to disseminate the Trustee's wire instructions, all of which is evidenced by either (i) resolutions (in full force and effect on the date of the execution of this form) of the board of directors of the Trustee, a true, complete and correct copy of which is attached as Schedule 1 hereto, or (ii) an Incumbency Certificate (in full force and effect on the date of the execution of this form) in the form attached hereto as Schedule 2, which has been signed and sealed by the corporate Secretary or Assistant Secretary of the Trustee, a true, complete and correct copy of which is attached hereto.

Trustee Name: _____

Date: _____

Name	Position/Title	Signature
Name	Position/Title	Signature
Address		<u>City, State and Zip Code</u>
Address		<u>City, State and Zip Code</u>
Telephone	Fax	E-mail
Telephone	Fax	E-mail

[Insert other Authorized Persons, as needed.]

NOTE: PROVIDE A NOTARY PANEL FOR EACH AUTHORIZED PERSON INDICATED ABOVE.

STATE OF _____)

: ss

CITY/COUNTY OF _____)

On the ____ day of _____, 20____, before me, the undersigned notary public, personally appeared _____, who is personally known to me, or who proved to me on the basis of satisfactory evidence that he/she is the individual whose name is subscribed to the within instrument, and he/she acknowledged to me that he/she executed the same in his/her capacity as the _____ of _____.

[Seal]

Notary Public

STATE OF _____)

: ss

CITY/COUNTY OF _____)

On the ____ day of _____, 20____, before me, the undersigned notary public, personally appeared _____, who is personally known to me, or who proved to me on the basis of satisfactory evidence that he/she is the individual whose name is subscribed to the within instrument, and he/she acknowledged to me that he/she executed the same in his/her capacity as the _____ of _____.

[Seal]

Notary Public

*This form is to be delivered to: Freddie Mac Multifamily, Loan Accounting Manager, 8100 Jones Branch Drive, Mail Stop B4Q, McLean, VA 22102 via overnight mail service.

SCHEDULE 1

to

Bond Wire Instruction Change Request Form

[INSTRUCTIONS: CORPORATE SECRETARY, PLEASE REMOVE THIS PAGE AND ATTACH AS “SCHEDULE 1” THE BOARD RESOLUTION REFERENCED ABOVE USING THE EXAMPLE BELOW.]

EXAMPLE OF CORPORATE RESOLUTION:

BOARD OF DIRECTORS
OF
[INSERT CORPORATION NAME]

DATE: _____

WHEREAS, the Board of Directors (the “**Board**”) of [INSERT CORPORATION NAME] (the “**Corporation**”) is adopting the following Resolution to amend, restate, assign or reassign general delegations of authority regarding its management with respect to subject matters not otherwise covered by specific Resolutions of the Board.

NOW, THEREFORE, BE IT RESOLVED that the individuals listed below are fully authorized and empowered to establish accounts in any bank or financial or depository institution in the name and on behalf, of [INSERT CORPORATION’S NAME]; to make deposits in, charge, transfer funds to, or withdraw funds from such accounts by checks, drafts, wire transfers, or other instruments or orders customarily used for the payment of accounts or the transfer of funds, including the proceeds of mortgages; and to make, execute, and deliver, wire transfer instructions or Automated Clearing House (ACH) instructions (if applicable) in writing or by electronic means, including any and all written instruments necessary or proper to effectuate the authority hereby conferred; and that any such actions heretofore taken by any of the following persons on behalf of [INSERT CORPORATION’S NAME] are hereby ratified, approved, and confirmed.

[The Resolution should set forth either: (i) designated individuals by their names and their titles or (ii) categories of authorized employees (for example: Senior Vice Presidents, Vice Presidents, Treasurers, etc.)]

By the Board of Directors

[Typed Name], Secretary/Assistant Secretary

[ATTACH CORPORATE SEAL]

SCHEDULE 2

to

Bond Wire Instruction Change Request Form

INCUMBENCY CERTIFICATE

The undersigned hereby certifies to the Federal Home Loan Mortgage Corporation (“**Freddie Mac**”) that I am the [Secretary / Assistant Secretary] of U.S. Bank Trust Company, National Association (the “**Trustee**”), a _____, duly organized and existing under the laws of _____, and that, as such, I am duly authorized to execute this Incumbency Certificate on behalf of the Trustee; and I further certify that each of the following persons, as of the date hereof, holds the office of the Trustee set opposite his or her name below, and that each such person is duly authorized to disseminate the Trustee’s wire instructions.

Name: _____
Name: _____
Name: _____
Name: _____

Title: _____
Title: _____
Title: _____
Title: _____

WITNESS the official seal of the Trustee and the signature of the undersigned this ____ day of _____, 20__.

[ATTACH THE CORPORATE SEAL]

Print Name: _____

Title: [Secretary / Assistant Secretary]

APPENDIX H

FORM OF OPINION OF BOND COUNSEL

[Closing Date]

California Housing Finance Agency
Sacramento, California

California Housing Finance Agency
Limited Obligation Multifamily Housing Revenue Bonds
(Lakeshore Villa Apartments) 2026 Issue KK
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the California Housing Finance Agency (the “Issuer”) in connection with the issuance of \$_____ aggregate principal amount of California Housing Finance Agency Limited Obligation Multifamily Housing Revenue Bonds (Lakeshore Villa Apartments) 2026 Issue KK (the “Bonds”), issued pursuant to the provisions of Division 31, Parts 1 through 4 of the California Health and Safety Code, as amended, and a Trust Indenture, dated as of October 1, 2026 (the “Indenture”), between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). The Indenture provides that the Bonds are issued for the stated purpose of making a loan of the proceeds thereof to Lakeshore Villa Apartments LP, a California limited partnership (the “Borrower”) pursuant to a Financing Agreement, dated as of October 1, 2026 (the “Financing Agreement”), among the Issuer, the Trustee and the Borrower. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

In such connection, we have reviewed the Indenture, the Financing Agreement, the Tax Regulatory Agreement, the Tax Certificate and Agreement, dated the date hereof (the “Tax Certificate”), relating to the Bonds, opinions of counsel to the Issuer, the Trustee and the Borrower, certificates of the Issuer, the Trustee, the Borrower and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after original delivery of the Bonds on the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after original delivery of the Bonds on the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. Our engagement with respect to the Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed that each document and each signature thereon provided to us is genuine and that each such document has been duly and legally executed by, and constitutes a valid and binding agreement of, each party thereto other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture, the Financing Agreement, the

Tax Regulatory Agreement and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Indenture, the Financing Agreement, the Tax Regulatory Agreement and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the real or personal property described in or as subject to the lien of the Indenture or the Financing Agreement or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such property. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no view with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Issuer is a public instrumentality and political subdivision duly organized and validly existing under the laws of the State of California, and has lawful authority to issue the Bonds.
2. The Bonds constitute the valid and binding limited obligations of the Issuer, payable solely from the Trust Estate.
3. The Indenture has been duly executed and delivered by, and constitutes the valid and binding agreement of, the Issuer. The Indenture creates a valid pledge, to secure the payment of the principal of and interest on the Bonds, of the Trust Estate, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture.
4. The Bonds do not constitute a debt or liability of the Issuer, the State of California or any political subdivision thereof, or a pledge of the faith and credit of the State of California or any such political subdivision, other than the Issuer to the extent provided in the Indenture.
5. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), except that no opinion is expressed as to the exclusion from gross income of interest on any Bond for any period during which such Bond is held by a person who, within the meaning of Section 147(a) of the Code, is a "substantial user" of the facilities with respect to which the proceeds of the Bonds were used or is a "related person." Interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Interest on the Bonds is exempt from State of California personal income taxes. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

APPENDIX I

FORM OF CONTINUING DISCLOSURE AGREEMENT

\$46,500,000*

**California Housing Finance Agency
Limited Obligation Multifamily Housing Revenue Bonds
(Lakeshore Villa Apartments)
2026 Issue KK**

This Continuing Disclosure Agreement, dated as of October 1, 2026 (this “Continuing Disclosure Agreement”), is executed and delivered by Lakeshore Villa Apartments LP, a California limited partnership (the “Borrower”), and U.S. Bank Trust Company, National Association, as dissemination agent (the “Dissemination Agent”), for the above-captioned bonds (the “Bonds”). The Bonds are being issued pursuant to a Trust Indenture, dated as of October 1, 2026 (the “Indenture”) between the California Housing Finance Agency (the “Issuer”) and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). Pursuant to the Indenture and the Financing Agreement, dated as of October 1, 2026, by and among the Issuer, the Borrower and the Trustee (the “Financing Agreement”), the Dissemination Agent and the Borrower covenant and agree as follows:

Section 1. Purpose of this Continuing Disclosure Agreement. This Continuing Disclosure Agreement is being executed and delivered by the Borrower and the Dissemination Agent for the benefit of the holders of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (defined below). The Borrower and the Dissemination Agent acknowledge that the Issuer has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Continuing Disclosure Agreement, and has no liability to any person, including any holder of the Bonds or Beneficial Owner, with respect to any such reports, notices or disclosures.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the Borrower pursuant to, and as described in, Sections 3 and 4 of this Continuing Disclosure Agreement.

“*Audited Financial Statements*” means, in the case of the Borrower, the annual audited financial statements prepared in accordance with generally accepted accounting principles, if any.

“*Beneficial Owner*” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“*Disclosure Representative*” shall mean the administrator of the Project or his or her designee, or such other person as the Borrower shall designate in writing to the Dissemination Agent from time to time.

“*Dissemination Agent*” shall mean U.S. Bank Trust Company, National Association, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Borrower and which has filed with the Trustee a written acceptance of such designation.

* Preliminary, subject to change.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Continuing Disclosure Agreement.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934. All documents provided to the MSRB shall be in an electronic format and accompanied by identifying information, as prescribed by the MSRB. Initially, all document submissions to the MSRB pursuant to this Continuing Disclosure Agreement shall use the MSRB’s Electronic Municipal Market Access (EMMA) system at www.emma.msrb.org.

“Participating Underwriter” means Stifel, Nicolaus & Company, Incorporated, and its successors and assigns.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The Borrower will, or will cause the Dissemination Agent to, not later than 180 days following the end of the Borrower’s fiscal year, commencing with the fiscal year ending on December 31, 2027, provide to the MSRB an Annual Report which is consistent with the requirements described below. No later than 15 Business Days prior to said date, the Borrower will provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent). In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package and may cross reference other information, provided that the audited financial statements for the prior calendar year of the Borrower may be submitted separately from the balance of the Annual Report.

(b) If by 15 Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent will contact the Disclosure Representative to determine if the Borrower is in compliance with subsection (a).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Dissemination Agent will send in a timely manner a notice to the MSRB in substantially the form attached as Exhibit B to this Continuing Disclosure Agreement.

(d) The Dissemination Agent will file a report with the Borrower and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the Annual Report has been provided pursuant to this Continuing Disclosure Agreement, stating the date it was provided.

Section 4. Content of Annual Reports. The Borrower’s Annual Report will contain or incorporate by reference the financial information with respect to the Project, provided at least annually, of the type included in Exhibit A hereto, which Annual Report may, but is not required to, include Audited Financial Statements. If the Borrower’s Audited Financial Statements are not available by the time the Annual Report is required to be filed, the Annual Report will contain unaudited financial statements, and the Audited Financial Statements will be filed in the same manner as the Annual Report when and if they become available.

Any or all of the items described in Exhibit A may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Borrower is an “Obligated Person” (as defined by the Rule), which have been filed with the MSRB. The Borrower will clearly identify each such other document so incorporated by reference.

Each annual report submitted hereunder shall be in readable portable document format (“PDF”) or other acceptable electronic form.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events (each, a “Listed Event”):

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulty;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulty;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of holders of the Bonds, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the Borrower. For purposes of this clause (xii), any such event shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Borrower in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Borrower, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Borrower;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the Borrower or the sale of all or substantially all of the assets of the Borrower, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the

termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or paying agent or the change of the name of a trustee or paying agent, if material;

(xv) Incurrence of a financial obligation of the Borrower, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Borrower, any of which affect security holders, if material;

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Borrower, any of which reflect financial difficulties; and

(xvii) The Project's being placed in service for purposes of qualifying the property for low income housing tax credits. Notice of the Project's being placed in service from the Borrower to the Dissemination Agent shall be in the form attached as Exhibit D hereto or such other form as may be approved by the Dissemination Agent. Notice of the Project being placed in service from the Dissemination Agent to the Municipal Securities Rulemaking Board shall be in the form attached as Exhibit C hereto or such other form as may be approved by the Dissemination Agent.

For purposes of clauses (xv) and (xvi) of this Section 5(a), "financial obligation" is as contemplated by Exchange Act Release No. 34-83885; File No. S7-01-17 (the "Adopting Release").

(b) The Dissemination Agent shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of any potential Listed Event, pursuant to subsection (c) of this Section 5 or otherwise, provide the Disclosure Representative with notice by email. While the Dissemination Agent is also the Trustee, the Dissemination Agent shall be deemed to have actual knowledge of those items listed in clauses (i), (iii) (solely with respect to funds held by the Trustee), (iv), (v), (vii), (viii), (ix), (x) and (xiv) above without the Dissemination Agent's having received notice of such event. While the Dissemination Agent is not also the Trustee, the Dissemination Agent shall not be deemed to have actual knowledge of any items listed in clauses (i) - (xvii) above without the Dissemination Agent having received written notice of such event. For purposes of providing notice to the Disclosure Representative, the Dissemination Agent shall assume that the unscheduled draws described in clauses (iii) and (iv) reflect financial difficulty.

(c) Whenever the Borrower obtains knowledge of the occurrence of a potential Listed Event, the Borrower shall, within five (5) Business Days of obtaining such knowledge and in any event no more than eight (8) Business Days after the occurrence of such event, determine if such event is in fact a Listed Event that is required by the Rule to be disclosed and provide the Dissemination Agent with notice and instructions pursuant to subsection (d) below.

(d) If the Borrower has determined that a Listed Event is required to be disclosed, then the Borrower shall prepare a written notice describing the Listed Event and provide the same to the Dissemination Agent along with instructions to file the same pursuant to subsection (e) below.

(e) If the Dissemination Agent has been provided with a written notice describing a Listed Event pursuant to subsection (c) of this Section 5 or otherwise, and is instructed by the Borrower to report the occurrence of such Listed Event, the Dissemination Agent shall, within two (2) Business Days of its receipt of such written notice and in any event no more than ten (10) Business Days after the occurrence of the Listed Event, file the notice with the MSRB and send a copy to the Borrower.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Borrower and the Dissemination Agent may amend this Continuing Disclosure Agreement (and the Dissemination Agent will agree to any amendment so requested by the Borrower unless such amendment adversely affects its rights, duties, protections, immunities, indemnities or standard of care, as determined by the Dissemination Agent) and any provision of this Continuing Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions described under paragraph (a) under “Provision of Annual Reports,” “Contents of Annual Reports” or paragraph (a) under “Reporting of Listed Events,” it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of an Obligated Person (as defined in the Rule) with respect to the Bonds or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the Borrower will describe such amendment in the next Annual Report and will include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information being presented by the Borrower. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change will be given in the same manner as for a Listed Event under Section 5(e) hereof and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Default. In the event of a failure of the Borrower or the Dissemination Agent to comply with any provision of this Continuing Disclosure Agreement and such failure to comply continues beyond a period of thirty (30) days following written notice to the Borrower, the Borrower or any Holder or Beneficial Owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Borrower or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement will not be deemed an Event of Default under the Indenture or the Financing Agreement, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Borrower or the Dissemination Agent to comply with this Continuing Disclosure Agreement will be an action to compel performance.

Section 8. Beneficiaries. This Continuing Disclosure Agreement will inure solely to the benefit of the Borrower, the Dissemination Agent, the Participating Underwriter and Holders from time to time of the Bonds and will create no rights in any other person or entity.

Section 9. Reserved.

Section 10. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Borrower from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Borrower chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the Borrower shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement. The Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Borrower has provided such information to the Dissemination Agent as required by this Continuing Disclosure Agreement. The Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Dissemination Agent shall have no duty or obligation to review or verify any information, disclosures or notices provided to it by the Borrower and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Dissemination Agent shall have no responsibility for the Borrower's failure to report to the Dissemination Agent a Listed Event or a duty to determine the materiality thereof. The Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Borrower has complied with this Continuing Disclosure Agreement. The Dissemination Agent may conclusively rely upon Certifications of the Borrower at all times.

The obligations of the Borrower under this Section 11 shall survive resignation or removal of the Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Borrower.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Continuing Disclosure Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

Section 12. Notices. All notices, requests, demands or other communications to or upon the respective parties hereto shall be deemed to have been duly given or made when delivered personally or by mail (including electronic mail) to the party to which such notice, request, demand or other communication is required or permitted to be given or made under this Continuing Disclosure Agreement and addressed as set forth below:

If to the Borrower:

Lakeshore Villa Apartments LP
c/o Lincoln Avenue Communities
401 Wilshire Boulevard, Suite 1070
Santa Monica, CA 90401
Attention: Brandon Hodge
Email: bhodge@lincolnavenue.com

with a copy to:

Cohen Liuzzo PLLC
88 Pine Street, Suite 1430
New York, NY 10005
Attention: Eleor Cohen
Email: ecohen@cohenliuzzo.com

with a copy to:

Bocarsly Emden Cowan Esmail & Arndt LLP
633 West Fifth Street, Suite 5880
Los Angeles, CA 90071
Attention: Kyle Arndt
Email: karndt@bocarsly.com

If to the Dissemination Agent:

U.S. Bank Trust Company, National Association
One California Street, Suite 1000
San Francisco, CA 94111
Attention: Global Corporate Trust
Email: andrew.fung@usbank.com

Section 13. Governing Law. This Continuing Disclosure Agreement shall be governed by the laws of the State of California.

Section 14. Termination of this Continuing Disclosure Agreement. The Borrower or the Dissemination Agent may terminate this Continuing Disclosure Agreement by giving written notice to the other party at least 30 days prior to such termination. The Dissemination Agent shall be fully discharged at the time any such termination is effective. The Borrower's and the Dissemination Agent's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption, tender, conversion or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Borrower shall give notice of such termination in a filing with the MSRB.

Section 15. Counterparts. This Continuing Disclosure 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.

[Signature pages to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Continuing Disclosure Agreement to be executed by their duly authorized representatives as of the date set forth above.

LAKESHORE VILLA APARTMENTS LP,
a California limited partnership

By: Lakeshore Villa AGP LLC,
a Delaware limited liability company,
its administrative general partner

By: _____
Russell Condas
Vice President

By: PacH Roseville II Holdings, LLC,
a California limited liability company,
its managing general partner

By: Pacific Housing, Inc.,
a California non-profit public benefit corporation,
its manager

By: _____
Mark A. Wiese
President

[Counterpart Signature Page to Continuing Disclosure Agreement]

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
as Dissemination Agent

By: _____
Authorized Officer

EXHIBIT A

ANNUAL REPORT

\$46,500,000*

**CALIFORNIA HOUSING FINANCE AGENCY
LIMITED OBLIGATION MULTIFAMILY HOUSING REVENUE BONDS
(LAKESHORE VILLA APARTMENTS)
2026 ISSUE KK
CUSIP: _____**

Annual report for the period ending December 31, _____

THE PROJECT

Name of the Project:	Lakeshore Villa Apartments
Address:	6888 Golfcrest Drive, San Diego, CA 92119
Number of Units:	126

INFORMATION ON THE BONDS

Original principal amount of Bonds:	
Outstanding principal amount of Bonds:	

OPERATING HISTORY OF THE PROJECT

The tables set forth below offer a summary of the operating results of the Project for fiscal year ended December 31, 20__, as derived from the Borrower's audited financial statements [or unaudited financial statements].

Financial Results for Fiscal Year Ending December 31, _____	
Revenues	
Operating Expenses ¹	
Net Operating Income	
Debt Service on the Bonds	
Net Income (Loss)	
Debt Service Coverage Ratio	

¹ Excludes depreciation and other non-cash expenses.

Occupancy Results for Fiscal Year Ending December 31, _____	
Physical Occupancy	_____%
Economic Occupancy ¹	_____%

¹ The physical occupancy rate is the proportion of units that are occupied or leased by tenants. The economic occupancy rate is the proportion of the gross potential rent that is actually collected. As such, the economic occupancy takes into consideration items such as model units, employee units, discounted units, rent incentives, loss to lease and bad debt expense.

* Preliminary, subject to change.

AUDITED FINANCIAL STATEMENTS

_____ Attached

_____ Audited financial statements of the Borrower for the period ending December 31, 20__ are not yet completed; therefore, no audited financial statements of the Borrower are being filed herewith. Unaudited financial statements for such period are attached in lieu of audited financial statements. Audited financial statements will be filed when available.

_____ No audited financial statements of the Borrower were prepared for the period ending December 31, 20__; therefore, no audited financial statements of the Borrower are being filed herewith. Unaudited financial statements for such period are attached in lieu of audited financial statements.

EXHIBIT B

**NOTICE OF FAILURE TO
FILE ANNUAL DISCLOSURE REPORT**

Name of Issuer: California Housing Finance Agency

Name of Bond Issue: Limited Obligation Multifamily Housing Revenue Bonds (Lakeshore Villa Apartments) 2026 Issue KK

Name of Borrower: Lakeshore Villa Apartments LP

CUSIP: _____

Date of Issuance: October __, 2026

NOTICE IS HEREBY GIVEN that the above-referenced borrower (the “Borrower”) has not provided an Annual Report with respect to the above-named Bonds as required by its Continuing Disclosure Agreement. The undersigned has been informed by the Borrower that it anticipates that Annual Report will be filed by _____.

DATED: _____

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
as Dissemination Agent

By: _____
Authorized Officer

cc: Borrower

EXHIBIT C

**NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF
PROJECT PLACED IN SERVICE**

Name of Issuer: California Housing Finance Agency

Name of Bond Issue: Limited Obligation Multifamily Housing Revenue Bonds (Lakeshore Villa Apartments) 2026 Issue KK

Name of Borrower: Lakeshore Villa Apartments LP

Name of Project: Lakeshore Villa Apartments

Address of Project: 6888 Golfcrest Drive, San Diego, CA 92119

Date of Issuance: October __, 2026

NOTICE IS HEREBY GIVEN as per the requirements of the Continuing Disclosure Agreement, dated as of October 1, 2026, between the above-referenced borrower (the “Borrower”) and U.S. Bank Trust Company, National Association, as Dissemination Agent, that the Borrower has certified that the above-referenced project (the “Project”) is complete and placed in service by the Borrower as evidenced by a certificate from the Borrower confirming that the Project is placed in service for purposes of Section 42 of the Code.

Dated:

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
as Dissemination Agent

By: _____
Authorized Officer

cc: Borrower

EXHIBIT D

FORM OF NOTICE OF PLACED IN SERVICE

\$46,500,000*

**CALIFORNIA HOUSING FINANCE AGENCY
LIMITED OBLIGATION MULTIFAMILY HOUSING REVENUE BONDS
(LAKESHORE VILLA APARTMENTS)
2026 ISSUE KK**

The undersigned hereby provides notice to U.S. Bank Trust Company, National Association, a national banking association, as dissemination agent (the “Dissemination Agent”) that the multifamily rental housing facility known as Lakeshore Villa Apartments (the “Project”) has been placed in service in accordance with the Trust Indenture, dated as of October 1, 2026, between California Housing Finance Agency (the “Issuer”) and U.S. Bank Trust Company, National Association, a national banking association, as trustee (the “Trustee”).

LAKESHORE VILLA APARTMENTS LP,
a California limited partnership

By: Lakeshore Villa AGP LLC,
a Delaware limited liability company,
its administrative general partner

By: _____
Russell Condas
Vice President

By: PacH Roseville II Holdings, LLC,
a California limited liability company,
its managing general partner

By: Pacific Housing, Inc.,
a California non-profit public benefit corporation,
its manager

By: _____
Mark A. Wiese
President

* Preliminary, subject to change.