



REPORT TO THE CITY COUNCIL

November 27, 2007

FROM: NICK P. YOVINO, Director
Planning and Development Department

BY: MICHAEL SIGALA, Manager
Housing and Community Development Division

SUBJECT: AUTHORIZE EXECUTION OF AMENDMENT NO. 1 (SHORT-TERM LOAN) NOT TO EXCEED \$975,000 TO CITY HOME AGREEMENT WITH OPS VILLAS LP FOR THE DEVELOPMENT OF THE OAK PARK SENIOR VILLAS IN SOUTHEAST FRESNO (WILLOW/JENSEN) AND AUTHORIZE THE PLANNING AND DEVELOPMENT DIRECTOR TO EXECUTE THE AMENDMENT

KEY RESULT AREA

One Fresno

RECOMMENDATION

Staff recommends Council approve the following:

- 1) Authorize execution of Amendment No. 1 not to exceed \$975,000 to HOME Agreement with OPS VILLAS LP for the development of the Oak Park Senior Villas in Southeast Fresno (Willow/Jensen); and
- 2) Authorize the Planning and Development Director to execute the Amendment, subject to City Attorney approval to form.

EXECUTIVE SUMMARY

On January 9, 2007, City Council approved a \$3,910,000 HOME Agreement for construction of the Oak Park Senior Villas in Southeast Fresno. In June of 2007, OPS Villas LP, the special purpose partnership entity formed to develop the project was advised that it would not receive an award of \$975,000 from the 2007 Round "A" Federal Home Loan Bank, Affordable Housing Program (AHP). Since the \$975,000 dollar gap in construction financing posed a threat to the project, OPS Villas contacted the Redevelopment Agency (RDA) and the City for assistance. By this Amendment No. 1, the City commits to fund the gap through a long-term no-interest loan assistance not to exceed \$975,000 in allocated/available HOME Program funds. The RDA staff have indicated an intention, if necessary to request RDA Board approval for project loan assistance not to exceed in FY 2009 the sum of \$350,000 and in FY 2010 the sum of \$350,000, which if approved could be used to take out a portion of the up to \$975,000 loan assistance made available by the City under the Amendment No. 1. OPS Villas for its part has reapplied for \$975,000 from Round "B" of 2007 AHP funds. If and to the extent OPS Villas is successful with its AHP application, the above City/RDA project loan assistance may not be necessary.

KEY OBJECTIVE BALANCE

Approval of HOME Program funds to OPS Senior Villas presents an opportunity to make a positive impact to the Customer Satisfaction, Employee Satisfaction, and Financial Management Key Objectives. The project impacts the Customer Service aspect by demonstrating the City's commitment to strengthening local and private partnerships to ensure adequate and affordable housing for this special needs group.

*SUBJECT TO MAYOR'S VETO

AGENDA ITEM NO.:	02-B
COUNCIL MEETING:	November 27, 2007
APPROVED BY	
DEPARTMENT DIRECTOR	
CITY MANAGER	

Presented to City Council
Date 11/27/07
Disposition rec approval

REPORT TO THE CITY COUNCIL

RE: AUTHORIZE EXECUTION OF AMENDMENT NO.1 FOR \$975,000 TO OPS VILLAS, LP

November 27, 2007

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Approval also attributes to Employee Satisfaction by supporting efforts that help to achieve the Housing Element goals of producing affordable housing. In addition, it demonstrates creative and resourceful Financial Management by encouraging the practice of leveraging private and public funds to develop affordable housing.

BACKGROUND

On January 9, 2007, City Council approved a \$3,910,000 HOME Agreement for construction of the Oak Park Senior Villas in Southeast Fresno. The balance of funds for construction was to come from AHP, Bond financing, tax credit equity, and deferred developer fees.

However, in June of 2007, OPS Villas LP was advised that it would not be awarded funds from the 2007 Round "A" Federal Home Loan Bank, Affordable Housing Program (AHP) in the amount of \$975,000. Since the \$975,000 dollar gap in construction financing posed a threat to the project, OPS Villas contacted the Redevelopment Agency (RDA) and the City for assistance. By this Amendment No. 1, the City commits to make available gap funding through a long-term no-interest loan assistance not to exceed \$975,000 in allocated/available HOME Program funds. The RDA staff have indicated an intention, if necessary to request RDA Board approval for project loan assistance not to exceed in FY 2009 the sum of \$350,000 and in FY 2010 the sum of \$350,000, which if approved could be used to take out a portion of the up to \$975,000 loan assistance provided by the City under the Amendment No. 1. OPS Villas for its part has reapplied for \$975,000 from Round "B" of 2007 AHP funds.

The City's commitment to fund the \$975,000 gap is necessary in order to assist OPS Villas in fully funding the project and facilitating the reapplication for \$975,000 from Round "B" of 2007 AHP funds. The \$975,000 HOME (paper) commitment will for now be reflected as an available loan amount to OPS Villas. If and to the extent OPS Villas is successful with its AHP application, any above City/RDA project loan assistance may not be necessary. If OPS Villa's AHP application is not successful, the City may provide up to \$975,000 in long-term loan assistance, subject to take out by any necessary RDA loan assistance not to exceed in the aggregate a total of \$700,000, as may be annually approved by the RDA Board in subsequent years.

Construction of the complex, which consist of 9 single-story, wood frame residential buildings, a community room with a leasing/property management office, a common recreation area, and a pool, began on August 20, 2007. The developer has made substantial progress in the construction of the complex. As of late October, all of the buildings are completely framed. The tile-roof installation is underway. The project will be the first affordable multi-family development to incorporate solar panels. The solar energy generated from these panels will provide clean energy to the community room, pool filter system, lighting for the entire complex, and perimeter security lighting. The project is ahead of schedule and is expected to be completed by April 2008.

Housing and Community Development Commission recommended approval this item on November 14, 2007.

FISCAL IMPACT

HOME Program funds for the proposed project are available in the Planning and Development Department's FY 2007-2008 Budget.

APPENDICES

Exhibit A – Amendment No. 1

Exhibit B – Progress Photos

Exhibit C – RDA Staff Intention to Propose Project Assistance in Subsequent Year Budget Requests

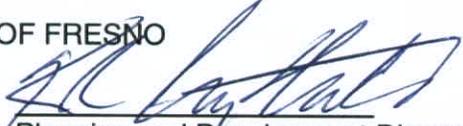
RECORDED AT THE REQUEST OF
AND WHEN RECORDED RETURN TO:

City of Fresno
Department of Planning and Development
2600 Fresno Street, Room 3076
Fresno, CA 93721-3605
Attention: Director

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

This Amendment No. 1 to Agreement is recorded at the request and for the benefit of the City of Fresno and is exempt from the payment of a recording fee pursuant to Government Code Section 6103.

CITY OF FRESNO

By: 
Its: Planning and Development Director
Dated: 12/5/07

AMENDMENT NO. 1

TO

HOME INVESTMENT PARTNERSHIPS PROGRAM AGREEMENT

by and between

City of Fresno, a municipal corporation

And

OPS Villas, L.P., a California Limited Partnership, by OPS Villas, LLC General Partner of OPS Villas and Central Valley Coalition for Affordable Housing, a California Nonprofit Public Benefit Corporation, Managing General Partner of OPS Villas

regarding

"Oak Park Senior Villas Apartments"
APN: 481-390-43
("2597 South Richelle" Fresno, CA 93725)
An Affordable Multi-Family Apartment Project

AMENDMENT NO. 1 TO
HOME INVESTMENT PARTNERSHIPS PROGRAM AGREEMENT
(Affecting Real Property and Including Covenants Running with the Land)

"OAK PARK SENIOR VILLAS APARTMENTS"

This Amendment No. 1 is made and effective this 5 day of DEC, 2007, by and between the CITY OF FRESNO, a municipal corporation, acting through its Planning and Development Department – Housing and Community Development Division (hereinafter referred to as the "City") and OPS VILLAS, L.P. a California Limited Partnership in good standing, by OPS Villas, LLC, General Partner of OPS Villas and Central Valley Coalition for Affordable Housing, a California Nonprofit Public Benefit Corporation, Managing General Partner of OPS Villas, (hereinafter referred to as "OPS Villas".)

WITNESSETH

WHEREAS, the City and OPS Villas are parties to a certain April 3, 2007 Home Investment Partnerships (HOME) Program Agreement and exhibits/attachments thereto including covenants running with the land, recorded in Fresno County Records on April 5, 2007 as Document No. 2007-0069127, incorporated herein by this reference (the "Agreement") whereunder the City variously provides certain post-construction financial assistance to sixty-four (64) units of OPS Villas' 65-unit residential housing Project located upon the Property described therein, said Project to be preserved as affordable senior rental housing; and

WHEREAS, the City and OPS Villas desire that the Agreement be modified in certain regards, upon the terms and conditions herein; and

WHEREAS, the Housing and Community Development Commission reviewed this Amendment No. 1 on November 14, 2007, and recommended that Council approve it.

NOW THEREFORE, in consideration of the above recitals, which recitals are contractual in nature, the mutual promises herein contained, and for other good and valuable consideration hereby acknowledged, the parties agree that:

1. Consistent with the Amended Declaration of Restrictions benefiting the City and attached hereto as Exhibit "A" and incorporated herein, the Affordable Senior Rental Housing shall consist of 20 Very Low Income Units and 44 Low Income Units with no less than twenty (20) of the proposed Units to be preserved as Very Low-Income Affordable Senior Rental Housing for tenants earning 50% or below of the area median income for the Fresno MSA, and with no less than forty-four (44) of the proposed Units to be preserved as Low-Income Affordable Senior Rental Housing for tenants earning 55% or below of the area median income for the Fresno MSA.

2. The following is added to the Agreement as new Section 11.24.

11.24 Special Limited Partner Notice and Cure, Assignment of Limited Partnership Interests, Removal of General Partner.

A. Special Limited Partner Notice and Cure. Notwithstanding anything to the contrary contained herein or in any Loan Document, prior to declaring an event of default or taking any remedy permitted under this Agreement, any Loan Document or applicable law based upon an alleged default hereunder or thereunder, Centerline SLP LLC, a Delaware limited liability company, the special limited partner of the Borrower ("Special Limited Partner") shall have a period of not less than thirty (30)

days to cure such default; provided, however, if in order to cure any such default the Special Limited Partner reasonably believes that it must remove the general partner of the Borrower pursuant to the Amended and Restated Agreement of Limited Partnership of the Borrower (the "Partnership Agreement"), the Special Limited Partner shall so notify Lender and so long as the Special Limited Partner is diligently attempting to remove the general partner, the Special Limited Partner shall have until the date thirty (30) days after the effective date of the removal of the general partner to cure such default. Copies of any notice of default delivered to Borrower under this Agreement or any Loan Document shall be delivered to the Special Limited Partner at: Centerline SLP LLC c/o Centerline Capital Group Inc., 625 Madison Avenue, 5th Floor, New York, New York 10022, Attention: Andrew J. Weil.

B. Assignment of Limited Partnership Interests.

Notwithstanding anything to the contrary contained herein or in any Loan Document, the Special Limited Partner and Centerline Investor LP LLC, a Delaware limited liability company (the "Investor Limited Partner") shall have the right to assign their interests as limited partners in the Borrower to an entity whose general partners or managing members is controlled by Centerline Capital Group Inc. The transfer of limited partnership interests pursuant to this paragraph shall not constitute an event of default hereunder or under any Loan Document and shall not require the consent of the Lender.

C. Removal of General Partner.

Notwithstanding anything to the contrary contained herein or in any Loan Document, the Special Limited Partner shall have the right to remove the general partner of Borrower as general partner, and substitute the Special Limited Partner or an affiliate of the Special Limited Partner as a general partner of the Borrower pursuant to the Partnership Agreement. The removal of the general partner pursuant to this paragraph shall not constitute an event of default hereunder or under any Loan Document and shall not require the consent of the Lender.

3. The Project Budget is hereby modified consistent with the Revised Project Budget attached hereto as Exhibit "B" and incorporated herein, whereunder and to the extent consistent therewith the City agrees to make available to the Project an additional total \$975,000 in annually allocated and available funding, variously advanced under any combination of and only to the extent of (in the sole discretion of City) (i) the City Loan by increasing the not to exceed principal amount by \$275,000 consistent with the Amended/Restated Promissory Note attached hereto as Exhibit "C" and incorporated herein, and (ii) the City, subordinated (to Project lenders per the Revised Project Budget), assumable, no-interest loan not to exceed in the aggregate \$975,000, utilizing annually allocated and available funding and provided that City assistance shall not exceed the applicable aggregate HOME Program per unit cap (24 C.F.R. 92.250), on terms and conditions provided in Promissory Note (No-Interest) to be provided to the City no later than the date of Project funding thereunder, an exemplar of which is attached hereto as Exhibit "D", and incorporated herein, as well as any amendments to, modifications of and restatements of said Note consented to by City, to be secured by the underlying real property and the Affordable Senior Rental Housing covenants, upon the terms and conditions in the Agreement as amended hereunder. All additional Project Funding under this Section 3 shall be nonrecourse to OPS Villas and all constituent members of OPS Villas.

3.1 The additional Project Funding provided for in this Section 3 is necessary for OPS Villas to obtain Project financing. In consideration of such additional funding, OPS Villas has submitted or will submit an application for Project funding to the Federal Home Loan Bank, Affordable Housing Program (AHP) 2007 Round B for the amount of \$975,000. OPS Villas

acknowledges and agrees that any AHP funds awarded shall be utilized first to pay down the City Exhibit "D" Note.

4. In the event of any conflict between this Amendment No. 1 and any Exhibit or Attachment hereto, the terms and conditions of this Amendment No.1 shall control and take precedence over the terms and conditions expressed within the Exhibit or Attachment.

5. All capitalized terms used in this Amendment No. 1, unless otherwise defined herein, shall have the meanings assigned to such terms in the Agreement.

6. In all other regards, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the authorized agents of the parties hereto have executed this Amendment No. 1 at Fresno, California, the day and year first above written.

CITY OF FRESNO
A municipal corporation

By: [Signature]
Title: Planning and Development Director

OPS VILLAS, L.P.
A California Limited Partnership

By: OPS VILLAS LLC
A California Limited Liability Company, its Co-General Partner
By: [Signature]
Michael J. Conway, Jr.
Title: Member Date: 12/4/07

By: CENTRAL VALLEY COALITION FOR AFFORDABLE HOUSING,
A California nonprofit public benefit corporation, its Managing General Partner

By: [Signature]
Christina Alley
Title: CEO Date: 12/5/07

ATTEST
REBECCA E. KLISCH
CITY CLERK

By: [Signature]
Deputy 12/13/07

APPROVED AS TO FORM:
JAMES C. SANCHEZ
CITY ATTORNEY

By: R 11-16 2007
Robert R. Coyle, Senior Deputy Attorney

- | | | |
|--------------|-----------|---|
| Attachments: | Exhibit A | Amended Declaration of Restrictions |
| | Exhibit B | Revised Project Budget |
| | Exhibit C | Amended/Restated Promissory Note (Residual Receipts : City) |
| | Exhibit D | Promissory Note (No-Interest : City) |

EXHIBIT "A"
AMENDED DECLARATION OF RESTRICTIONS

RECORDING REQUESTED BY AND for the benefit of the City of Fresno and is exempt from the payment of a recording fee in accordance with Government Code Sections 6103 and 27383.

AND WHEN RECORDED MAIL TO:

CITY OF FRESNO
Planning and Development Department
Housing and Community Development Division
Attn: Division Manager
2600 Fresno Street, Rm. 3076
Fresno, CA 93721-3605

Title Order No. _____ Escrow No. _____

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

AMENDED DECLARATION OF RESTRICTIONS

THIS AMENDED DECLARATION OF RESTRICTIONS, ("Declaration"), is executed as of this Dec. 5th, 2007 by OPS Villas, L.P. , a California limited partnership ("Declarant") in favor of the City of Fresno, acting by and through its Planning and Development Department, Housing and Community Development Division, ("City" or "Beneficiary").

WHEREAS, Declarant is the owner of the real estate in the county of Fresno, state of California, consisting of APN: 481-390-43, which is more particularly described in Attachment "A" hereto and made a part hereof ("Property"); and

WHEREAS, Declarant and Beneficiary have entered into a certain HOME Investment Partnerships Program Agreement dated April 3, 2007 as amended on November 27, 2007] incorporated herein, (collectively "Agreement") and instruments referenced therein, whereby Declarant agrees to construct and maintain a Project of Affordable Senior Rental Housing, subject to the terms and conditions set forth in the Agreement; and

WHEREAS, in addition to the covenants and conditions contained in the Agreement, the Declarant has agreed at the special instance and request of the Beneficiary and upon good and sufficient consideration, to impose certain HOME Act (Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended; 24 CFR Part 92) affordability requirements upon 64 Units upon the Property funded under the Agreement, which affordability restrictions must be enforceable for a fifty-five (55) year period; and

WHEREAS, these restrictions are intended to bind Declarant and all purchasers of the Property and their successors.

NOW THEREFORE, Declarant declares that the Property is held and will be held, transferred, encumbered, used, sold, conveyed and occupied subject to the covenants, restrictions, and limitations set forth in this Declaration, all of which are declared and agreed to be in furtherance of the Project and the City's HOME Program obligations and activities. All of the restrictions, covenants and limitations will run with the land and will be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, will inure to the benefit of the Beneficiary, and will be enforceable by the Beneficiary. Any purchaser under a contract of sale or other transferee of an interest covering any right, title or interest in any part of the Property, by accepting a deed or a contract of sale or agreement of purchase, accepts the document subject to, and agrees to be bound by, any and all restrictions, covenant, and limitations set forth in this Declaration for the period of fifty-five (55) years running from and after recordation of Beneficiary's Certificate of Completion constituting the Affordability Period.

1. Declarations. Declarant hereby declares that the Property is and shall be subject to the covenants and restrictions hereinafter set forth, all of which are declared to be in furtherance of the Property, the Project, the City's HOME Program obligations set forth at Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended; 24 CFR Part 92, and are established and agreed upon for the purpose of enhancing and protecting the value of the Property and in consideration the Agreement and the above recitals. All terms not otherwise defined herein shall have the meaning ascribed to such term in the Agreement.

2. Restrictions. The following covenants and restrictions on the use and enjoyment of the Property shall be in addition to any other covenants and restrictions affecting the Property, and all such covenants and restrictions are for the benefit and protection of the Beneficiary and shall run with the Property and be binding on any future owner's of the Property and inure to the benefit of and be enforceable by the Beneficiary. These covenants and restrictions are as follows:

a. Declarant for itself and its successor(s) on title covenants and agrees that from the date of recordation of the Project Certificate of Completion until the expiration of the Affordability Period it shall cause the 64 Project Units funded under the Agreement to be used as Affordable Senior Rental Housing and affordable replacement dwellings as provided for in the Agreement. Unless otherwise provided in the Agreement, the term Affordable Senior Rental Housing shall include without limitation compliance with the following requirements:

Nondiscrimination. There shall be no discrimination against nor segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, ancestry, or handicap in the sale, transfer, use, occupancy, tenure, or enjoyment of any of the Property, nor shall Declarant or any person claiming under the Declarant, establish or permit any practice of discrimination or segregation with reference to the selection, location, number, use or occupancy of owners or vendees of the Property.

Principal Residence. Each of the Units constituting the Project upon the Property shall be leased only to natural persons, who shall occupy such as a principal residence.

Income Requirements. Each of the 64 Units constituting Affordable Senior Rental Housing upon the Property may be leased consistent with the Agreement as senior housing only to (a) natural person(s), twenty (20) of which may have annual household incomes at the time of initial occupancy not greater than fifty percent (50%) and forty-four (44) of which may have annual household income at the time of initial occupancy is not greater than fifty-five percent (55%) of the most recent annual median income calculated and published by HUD for the Fresno Metropolitan Statistical Area applicable to such household's size, and at an affordable price consistent with the rules established by the California Tax Credit Allocation Committee for the Project and applicable HOME Act requirements.

Injunctive Relief and Recapture. Should any of the 64 Units constituting Affordable Senior Rental Housing upon the Property not continue to be, at the time of initial occupancy, the principal residence of a Household that qualifies as a senior low-income or very low-income Household, during the period of Affordability, such Unit(s) shall be made available for subsequent lease only to Households that qualify as a senior low-income or very low-income for use as the Household's principal residence.

b. Item (a) above is hereinafter referred to as the Covenant and Restriction.

3. Enforcement of Restrictions. Without waiver or limitation, the Beneficiary shall be entitled to injunctive or other equitable relief against any violation or attempted violation of any Covenant and Restriction, and shall, in addition, be entitled to damages for any injuries or losses resulting from any violations thereof.

4. Acceptance and Ratification. All present and future owners of the Property and other persons claiming by, through, or under them shall be subject to and shall comply with the Covenant and Restriction. The acceptance of a deed of conveyance to the Property shall constitute an agreement that the Covenant and Restriction, as such may be amended or supplemented from time to time, is accepted and ratified by such future owners, tenant or occupant, and such Covenant and Restriction shall be a covenant running with the land and shall bind any person having at any time any interest or estate in the Property, all as though such Covenant and Restriction was recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. Provided, however, if this Declaration has been subordinated to a deed of trust and the Property is transferred by foreclosure to the holder of the deed of trust or an assignee of such holder, who is not Declarant or an affiliate of Declarant, then this Declaration shall be of no further force and effect except that if the Property is

subsequently transferred to any party prior chargeable with this Declaration, then the Declaration shall revive.

5. Benefit. This Declaration shall run with and bind the Property for a term commencing on the date this Declaration is recorded in the Office of the Recorder of the county Fresno, state of California, and expiring upon the expiration of the Affordability Period. The failure or delay at any time of Beneficiary and/or any other person entitled to enforce this Declaration shall in no event be deemed a waiver of the same, or of the right to enforce the same at any time or from time to time thereafter, or an estoppel against the enforcement thereof.

6. Costs and Attorney's Fees. In any proceeding arising because of failure of Declarant or any future owner of the Property to comply with the Covenant and Restriction required by this Declaration, as may be amended from time to time, Beneficiary shall be entitled to recover its respective costs and reasonable attorney's fees incurred in connection with such default or failure.

7. Waiver. Neither Declarant nor any future owner of the Property may exempt itself from liability for failure to comply with the Covenant and Restriction required in this Declaration.

8. Severability. The invalidity of the Covenant and Restriction or any other covenant, restriction, condition, limitation, or other provision of this Declaration shall not impair or affect in any manner the validity, enforceability, or effect of the rest of this Declaration and each shall be enforceable to the greatest extent permitted by law.

9. Pronouns. Any reference to the masculine, feminine, or neuter gender herein shall, unless the context clearly requires the contrary, be deemed to refer to and include all genders. Words in the singular shall include and refer to the plural, and vice versa, as appropriate.

10. Interpretation. The captions and titles of the various articles, sections, subsections, paragraphs, and subparagraphs of this Declaration are inserted herein for ease and convenience of reference only and shall not be used as an aid in interpreting or construing this Declaration or any provision hereof.

11. Amendment. No amendment or modification of this Declaration shall be permitted without the prior written consent of the Beneficiary.

12. Recordation. Declarant acknowledges that this Declaration will be filed of record in the Office of the Recorder of county of Fresno, State of California.

13. Capitalized Terms. All capitalized terms used in this Declaration, unless

otherwise defined herein, shall have the meanings assigned to such terms in the Agreement.

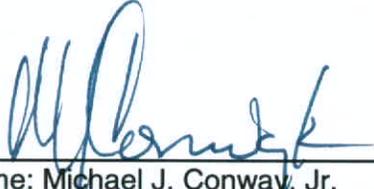
14. Headings. The headings of the articles, sections, and paragraphs used in this Agreement are for convenience only and shall not be read or construed to affect the meaning or construction of any provision.

IN WITNESS WHEREOF, Declarant has executed this Declaration of Restrictions on the date first written above.

DECLARANT: OPS VILLAS, L.P.
a California Limited Partnership.

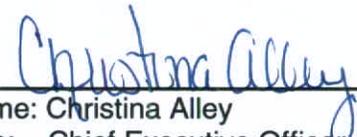
By: OPS Villas, L.L.C.

a California Limited Liability Corporation
its General Partner

By: 
Name: Michael J. Conway, Jr.
Title: Member
(Attach notary certificate of acknowledgment)

Date: 12/4/07

By: Central Valley Coalition for Affordable
Housing
a California nonprofit public benefit corporation,
its Managing General Partner

By: 
Name: Christina Alley
Title: Chief Executive Officer
(Attach notary certificate of acknowledgment)

Date: 12/5/07

OFFICIAL CALIFORNIA NOTARIAL CERTIFICATE

ACKNOWLEDGMENT

State of California

County of Fresno

On December 4, 2007, before me, Mary Costa, Notary Public

personally appeared Michael J. Conway, Jr. personally known to me -
OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed
to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of
which the persons(s) acted, executed the instrument.

WITNESS my hand and seal.



Mary Costa

SIGNATURE OF NOTARY

ATTACHMENT A: PROPERTY DESCRIPTION

EXHIBIT A: PROPERTY DESCRIPTION

The Property is located at 2597 South Richelle Avenue, Fresno, CA 93725

Legal Description

APN: 481-390-43

That portion of Lot 24 of Newhall Tract, according to the map thereof recorded in Volume 2 of Record of Surveys at Page 42, Fresno County Records, situated in the southeast quarter of the southwest quarter of Section 18, Township 14 South, Range 21 East, Mount Diablo Base and Meridian, according to the Official United States Government Township Plat thereof, being more particularly described as follows:

COMMENCING at the southeast corner of said southwest quarter of Section 18; thence South $86^{\circ}44'17''$ West, along the south line of said southwest quarter, a distance of 494.76 feet to the southerly prolongation of the east line of Lot 27 of Tract No. 5210, according to the map thereof recorded in Volume 74 of Plats at Pages 10 and 11, Fresno County Records; thence North $3^{\circ}15'43''$ West, along said southerly prolongation, a distance of 76.00 feet to a point on the northerly boundary of that parcel of land granted to the County of Fresno by that Final Order of Condemnation recorded January 19, 1961 in Book 4495 at Page 660, Official Records of Fresno County, said point being the TRUE POINT OF BEGINNING of this description; thence North $86^{\circ}44'17''$ East, along said northerly boundary, parallel with and 76.00 feet northerly of said south line of said southwest quarter of Section 18, a distance of 408.30 feet; thence North $60^{\circ}42'07''$ East, continuing along said northerly boundary, a distance of 68.34 feet; thence South $0^{\circ}34'08''$ East, continuing along said northerly boundary, parallel with and 30.00 feet west of the east line of said southwest quarter, a distance of 30.03 feet; thence North $86^{\circ}44'17''$ East, continuing along said northerly boundary, parallel with and 76.00 feet northerly of said south line of said southwest quarter, a distance of 10.01 feet to the east line of said Lot 24 of Newhall Tract; thence North $0^{\circ}34'06''$ West, along said east line, parallel with and 20.00 feet west of said east line of said southwest quarter, a distance of 529.81 feet to the south right-of-way line of East Garret Avenue as dedicated for public street purposes by the map of said Tract No. 5210; thence South $86^{\circ}44'05''$ West, along said south right-of-way line, a distance of 176.53 feet to the beginning of a tangent curve concave southerly and having a radius of 223.00 feet; thence westerly, along the arc of said curve and continuing along said southerly right-of-way line,

through a central angle of 32°47'54", an arc distance of 127.65 feet to the beginning of a reverse curve concave northerly and having a radius of 277.00 feet; thence westerly, along the arc of said reverse curve and continuing along said southerly right-of-way line, through a central angle of 32°47'54", an arc distance of 158.57 feet; thence South 86°44'05" West, continuing along said southerly right-of-way line, a distance of 15.03 feet; thence South 45°24'33" West, continuing along said southerly right-of-way line, a distance of 14.71 feet to the easterly right-of-way line of South Richelle Avenue as dedicated for public street purposes by the map of said Tract No. 5210; thence South 0°17'38" East, along said easterly right-of-way line, a distance of 254.71 feet to the beginning of a tangent curve concave northwesterly and having a radius of 50.00 feet; thence southwesterly, along the arc of said curve and continuing along said easterly right-of-way line, through a central angle of 45°11'00", an arc distance of 39.43 feet to the northeast corner of said Lot 27 of said Tract No. 5210; thence South 3°15'43" East, along the east line of said Lot 27, non-tangent to last said curve and leaving said easterly right-of-way line, a distance of 150.75 feet to the TRUE POINT OF BEGINNING.

Containing an area of 236,534 square feet, more or less.

SUBJECT TO an easement and right-of-way for public street purposes granted to the City of Fresno by that Deed of Easement recorded December 14, 2005 as Document No. 2005-0293172, Official Records of Fresno County.

ALSO SUBJECT TO an easement and right-of-way for public water main purposes granted to the City of Fresno by that Deed of Easement recorded December 14, 2005 as Document No. 2005-0293174, Official Records of Fresno County.

ALSO SUBJECT TO an easement and right-of-way for pipeline purposes granted to the Fresno Metropolitan Flood Control District by that Grant of Easement and Right-of-way recorded September 19, 2005 as Document No. 2005-0218862, Official Records of Fresno County.

EXHIBIT "B"
REVISED PROJECT BUDGET

A. Development Budget

TOTAL	RESIDENTIAL	Tax Credit	Bonds	HOME Funds (City Loan) & Supplemental	Deferred Contractor Fee	Capitalized Interest from Bond Proceeds	30% PVC for Fed Subsidized NC / Rehab	30% PVC for Acquisition
PROJECT COST	COST	Equity	\$5,200,000	\$4,885,000	\$344,862	\$39,823		
908,000	908,000	\$3,030,000		908,000			XXXXXXXXXX	XXXXXXXXXX
0	0	0					XXXXXXXXXX	XXXXXXXXXX
0	0						XXXXXXXXXX	XXXXXXXXXX
\$908,000	\$908,000	\$0	\$0	\$908,000	\$0		XXXXXXXXXX	XXXXXXXXXX
50,000	50,000		50,000				XXXXXXXXXX	XXXXXXXXXX
\$50,000	\$50,000	\$0	\$50,000	\$0	\$0		XXXXXXXXXX	\$0
REHABILITATION								
0	0							
0	0							
0	0							
0	0							
0	0							
0	0							
0	0							
0	0							
\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0
NEW CONSTRUCTION								
700,000	700,000		700,000				700,000	
4,250,000	4,250,000	132,998	1,166,783	2,950,219			4,250,000	
363,000	363,000		363,000				363,000	
121,000	121,000		121,000				121,000	
363,000	363,000	23,666			339,334		363,000	
1,100,000	1,100,000		1,100,000				1,100,000	
0	0						0	
\$6,897,000	\$6,897,000	\$156,664	\$3,450,783	\$2,950,219	\$339,334		\$6,897,000	\$0

TOTAL PROJECT COST	RESIDENTIAL COST	Tax Credit Equity	Bonds	HOME Funds	Deferred Contractor Fee	Capitalized Interest from Bond Proceeds \$39,823	30% PVC for Fed Subsidized NC / Rehab	30% PVC for Acquisition
ARCHITECTURAL FEES								
Design	125,000		125,000				125,000	
Supervision	25,000		25,000				25,000	
Total Architectural Costs	\$150,000	\$0	\$150,000	\$0	\$0		\$150,000	\$0
CONST. INTEREST & FEES								
Const. Loan Interest	405,167		365,694			39,472	405,167	
Origination Fee	78,000	78,000					78,000	
Lender Inspections	12,000		12,000				12,000	
Bond Premium	0	0	0				0	
Taxes	25,000	25,000	25,000				25,000	
Insurance	50,000	50,000	50,000				50,000	
Title And Recording	30,000	30,000	30,000				30,000	
Total Const. Interest & Fees	\$600,167	78,000	\$482,694	\$0	\$0		600,167	0
PERMANENT FINANCING								
Loan Origination Fee	0	0						XXXXXXXXXX
CSCDA Fee	35,000	35,000		25,600				XXXXXXXXXX
Bond Counsel	35,000	35,000						XXXXXXXXXX
CDLAC Fee	3,500	3,500	2,340					XXXXXXXXXX
Total Perm. Financing Costs	\$73,500	\$45,560	\$2,340	\$25,600	\$0			XXXXXXXXXX
LEGAL FEES								
Lender Legal Pd. by Applicant	40,000	40,000					40,000	
Borrower Atty	80,000	80,000		80,000			15,000	
Total Attorney Costs	\$120,000	\$40,000	\$0	\$80,000	\$0		\$55,000	\$0
RESERVES								
Rent Reserves			0					XXXXXXXXXX
Capitalized Rent Reserves								XXXXXXXXXX
* 3-Month Operating Reserve	85,957	85,957						XXXXXXXXXX
Total Reserve Costs	\$85,957	\$85,957	\$0	\$0	\$0			XXXXXXXXXX
Total Appraisal Costs	\$10,000		\$10,000					XXXXXXXXXX

Note: Syndication Costs may not be included as a project cost. * Operating Reserve is required - Regulation Section 10327(c)(8)(C).

RESERVES & DEVELOPER FEE

Replacement Reserve	0	0						0
Construction Bond Paydown	3,545,000	3,545,000	2,623,819		921,181			3,545,000
Other Reserve	0							
Developer Overhead								
TOTAL PROJECT COSTS	\$13,493,807	\$13,493,807	\$3,030,000	\$5,200,000	\$4,885,000	\$339,334	\$39,472	

EXHIBIT "C"
AMENDED/RESTATED PROMISSORY NOTE
(SECURED BY DEED OF TRUST DOCUMENT NO. "_____")

DO NOT DESTROY THIS NOTE: When paid, this note must be surrendered to Borrower for Cancellation.

Loan Amount: Not to Exceed \$4,185,000.00
Fresno, California

Date: Dec. 5th, 2007

The undersigned, OPS Villas, L. P., a California Limited Partnership ("Borrower"), promises to pay to the order of the City of Fresno, a California municipal corporation, ("Lender"), the sum not to exceed \$4,185,000.00 (Four Million One Hundred Eighty-Five Thousand Dollars), to the extent that such funds are loaned to Borrower (and said interest and principal payments shall commence on said dates), plus 2 percent per annum with principal and interest payable periodically from the Project's Residual Receipts defined as, for each calendar year commencing upon the funding of the Permanent Loan, Project Revenues less the sum of: (i) Operating Expenses, (ii) Debt Service, (iii) deposits made to any reserves established by or for the benefit of the Project, (iv) partnership management fees adjusted annually by a factor of three percent (3%); provided, however, that if such calculation results in a negative number, Residual Receipts shall be zero for that year in accordance with the HOME INVESTMENT PARTNERSHIPS PROGRAM AGREEMENT dated April 3, 2007 entered into between Borrower and Lender, as amended on November 27, 2007 ("Agreement") and in accordance with the payment schedule contained in the Agreement as Exhibit D and this Note, with the unpaid yearly balances to be rolled over and continue to accrue on a yearly basis.

This is a Residual Receipts Note. Principal and interest payments shall be deferred until the year 2024. Thereafter, commencing on April 15, 2024, and on said date for each year thereafter for the term of the loan, Borrower shall make payments to Lender equal to fifty percent (50%) of available cash flow as illustrated in Exhibit D of the Agreement. The Borrower shall retain the remaining fifty percent (50%) of available cash flow. In the event there are not sufficient Residual Receipts to make all or any portion of any annual payment as set forth in Exhibit D, then said unpaid payment or portion thereof shall be added to the principal and bear like interest. Any failure to make a payment required hereunder due to insufficient cash flow shall not constitute a default under this Note.

All principal and accrued interest shall be due and payable on the Maturity Date.

All capitalized terms used in this Note, unless otherwise defined, will have the respective meanings specified in the HOME Agreement. In addition, as used in this Note, the following terms will have the following meanings:

Business Day means any day other than Saturday, Sunday, or public holiday or the equivalent for banks generally under the laws of California. Whenever any payment to be made under this Note is stated to be due on a day other than a Business Day, that payment may be made on the next succeeding Business Day. However, if the extension would cause the payment to be made in a new calendar month, that payment will be made on the next preceding Business Day.

Maturity Date means fifty-five (55) years from the date the Lender issues the Project Certificate of Completion. The Affordability Period begins on the date the Lender issues the Project Certificate of Completion.

This Note, and any extensions or renewals hereof, is secured by a Deed of Trust, Security Agreement and Fixture Filing with Assignment of Rents on real estate in Fresno County, California, that provides for acceleration upon stated events, dated as of the same date as this Note, and executed in favor of and delivered to the Lender ("Deed of Trust"), insured as a not worse than 4th position lien on the Property.

Time is of the essence. It will be a default under this Note if Borrower defaults under the HOME Agreement, defaults under any other Loan Documents, or if Borrower fails to pay when due any sum payable under this Note and such default continues beyond the notice and cure period as provided in the HOME Agreement. In the event of a default by Borrower, the Borrower shall pay a late charge equal to the lesser of 2% of any outstanding payment or the maximum amount allowed by law. All payments collected shall be applied first to payment of any costs, fees or other charges due under this Note or any other Loan Documents then to the interest and then to principal balance. On the occurrence of an uncured default or on the occurrence of any other event that under the terms of the Loan Documents give rise to the right to accelerate the balance of the indebtedness, then, at the option of Lender, this Note or any notes or other instruments that may be taken in renewal or extension of all or any part of the indebtedness will immediately become due without any further presentment, demand, protest, or notice of any kind.

The indebtedness evidenced by this Note may, at the option of the Borrower, be prepaid in whole or in part without penalty. Lender will apply all the prepayments first to the payment of any costs, fees, late charges, or other charges due under this Note or under any of the other Loan Documents and then to the interest and then to the principal balance.

All Loan payments are payable in lawful money of the United States of America at any place that Lender or the legal holders of this Note may, from time to time, in writing designate, and in the absence of that designation.

Borrower agrees to pay all costs including, without limitation, reasonable attorney fees, incurred by the holder of this Note in enforcing payment, whether or not suit is filed, and including, without limitation, all costs, attorney fees, and expenses incurred by the holder of this Note in connection with any bankruptcy, reorganization, arrangement, or other similar proceedings involving the undersigned that in any way affects the exercise by the holder of this Note of its rights and remedies under this Note. All costs incurred by the holder of this Note in any action undertaken to obtain relief from the stay of bankruptcy statutes are specifically included in those costs and expenses to be paid by Borrower. Borrower will pay to Lender all attorney fees and other costs referred to in this paragraph on demand.

Any notice, demand, or request relating to any matter set forth herein shall be in writing and shall be given as provided in the HOME Agreement.

No delay or omission of Lender in exercising any right or power arising in connection with any default will be construed as a waiver or as acquiescence, nor will any single or partial exercise preclude any further exercise. Lender may waive any of the conditions in this Note and no waiver will be deemed to be a waiver of Lender's rights under this Note, but rather will be deemed to have been made in pursuance of this Note and not in modification. No waiver of any default will be construed to be a waiver of or acquiescence in or consent to any preceding or subsequent default.

The Deed of Trust provides as follows:

DUE ON SALE—CONSENT BY BENEFICIARY. Beneficiary may, at its option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without the Beneficiary's prior written consent, of all or any part of the Property, or any interest in the Property. A "sale or transfer" means the conveyance of the Property or any right, title or interest therein; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Property, or by any other method of conveyance of land interest. If any Trustor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of Trustor. However, this option shall not be exercised by Beneficiary if such exercise is prohibited by applicable law.

Lender may transfer this Note and deliver to the transferee all or any part of the Property then held by it as security under this Note, and the transferee will then become vested with all the powers and rights given to Lender; and Lender will then be forever relieved from any liability or responsibility in the matter, but Lender will retain all rights and powers given by this Note with respect to Property not transferred.

If any one or more of the provisions in this Note is held to be invalid, illegal, or unenforceable in any respect by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions will not in any way be affected or impaired. This Note will be binding on and inure to the benefit of Borrower, Lender, and their respective successors and assigns.

Borrower agrees that this Note will be deemed to have been made under and will be governed by the laws of California in all respects, including matters of construction, validity, and performance, and that none of its terms or provisions may be waived, altered, modified, or amended except as Lender may consent to in a writing duly signed by Lender or its authorized agents.

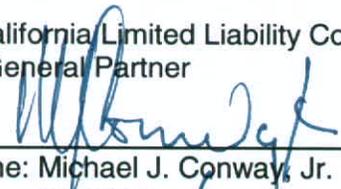
This Note shall be nonrecourse to Borrower and all its constituent members and may be prepaid at any time without penalty.

In witness whereof, Borrower has caused this Promissory Note to be executed by its authorized agent as of the date and year first above written.

OPS VILLAS, L.P.
a California Limited Partnership.

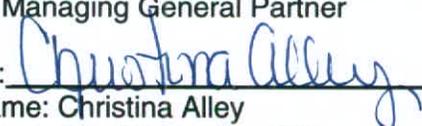
By: OPS Villas, L.L.C.

a California Limited Liability Corporation
its General Partner

By: 
Name: Michael J. Conway, Jr.
Title: Member

Date: 12/4/07

By: Central Valley Coalition for Affordable
Housing
a California nonprofit public benefit corporation,
its Managing General Partner

By: 
Name: Christina Alley
Title: Chief Executive Officer

Date: 12/4/07

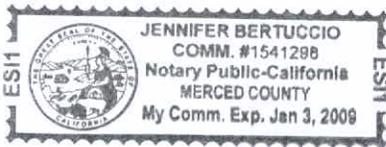
(Attach notary certificate of acknowledgment)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

State of California }
 } ss
County of Merced }

On December 5, 2007, before me, Jennifer Bertuccio, Notary Public, personally appeared Christina Alley, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Jennifer Bertuccio
Notary Public

My Commission Expires:
January 3, 2009

OFFICIAL CALIFORNIA NOTARIAL CERTIFICATE

ACKNOWLEDGMENT

State of California

County of Fresno

On December 4, 2007, before me, Mary Costa, Notary Public

personally appeared Michael J. Conway, Jr. personally known to me -
OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed
to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of
which the persons(s) acted, executed the instrument.

WITNESS my hand and seal.



Mary Costa

SIGNATURE OF NOTARY

EXHIBIT "D"
PROMISSORY NOTE (NO-INTEREST : CITY)
(SECURED BY DEED OF TRUST DOCUMENT NO. "_____")

DO NOT DESTROY THIS NOTE: When paid, this note must be surrendered to Borrower for Cancellation.

Loan Amount: Not to Exceed \$975,000
Fresno, California

Date: Dec. 5th, 2007

The undersigned, OPS Villas, L. P., a California Limited Partnership ("Borrower"), promises to pay to the order of the City of Fresno, ("Lender"), the sum not to exceed Nine Hundred Seventy-Five Thousand Dollars (\$975,000), to the extent that such funds are loaned to Borrower, without interest on the unpaid principal balance, with all principal due and payable on or before the date fifty-five (55) years from the date that the Lender issues the Project Certificate of Completion, ("Maturity Date"), on which date the unpaid balance of principal shall be due and payable, along with attorney's fees and costs of collection, and without relief from valuation and appraisal laws in accordance with the HOME INVESTMENT PARTNERSHIPS PROGRAM AGREEMENT dated April 3, 2007 entered into between Borrower and Lender, as amended on November 27, 2007 (collectively "Agreement").

Any failure to make payment required hereunder shall constitute a default under this Note.

All capitalized terms used in this Note, unless otherwise defined, will have the respective meanings specified in the Agreement. In addition, as used in this Note, the following terms will have the following meanings:

Business Day means any day other than Saturday, Sunday, or public holiday or the equivalent for banks generally under the laws of California. Whenever any payment to be made under this Note is stated to be due on a day other than a Business Day, that payment may be made on the next succeeding Business Day. However, if the extension would cause the payment to be made in a new calendar month, that payment will be made on the next preceding Business Day.

This Note, and any extensions or renewals hereof, is secured by a Deed of Trust, Security Agreement and Fixture Filing with Assignment of Rents on real estate in Fresno County, California, that provides for acceleration upon stated events, dated as of the same date as this Note, and executed in favor of and delivered to the Lender ("Deed of Trust"), through Escrow # [____], insured by [____] Company] as an ALTA or CLTA (no worse than 4th) position lien. Repayment of this Note shall be non-recourse to the Borrower and all constituent members of the Borrower.

Time is of the essence. It will be a default under this Note if Borrower defaults under the Agreement, any other Loan Documents, and if Borrower fails to pay when due any sum payable under this Note. In the event of a default by Borrower, the Borrower shall pay a late charge equal to 2% of any outstanding payment. All payments collected shall be applied first to payment of any costs, fees or other charges due under this Note or any other Loan Documents then to the interest and then to principal balance. On the occurrence of a default or on the occurrence of any other event that under the terms of the Loan Documents give rise to the right to accelerate the balance of the indebtedness, then, at the option of Lender, this Note or any notes or other instruments that may be taken in renewal or extension of all or any part of the indebtedness will immediately become due without any further presentment, demand, protest, or notice of any kind.

The indebtedness evidenced by this Note may, at the option of the Borrower, be prepaid in whole or in part, at any time, without penalty. Lender will apply all the prepayments first to the payment of any costs, fees, late charges, or other charges due under this Note or under any of the other Loan Documents and then to the principal balance.

All payments are payable in lawful money of the United States of America at any place that Lender or the legal holders of this Note may, from time to time, in writing designate, and in the absence of that designation, then to Lender at its address of record provided in the Agreement.

Borrower agrees to pay all costs including, without limitation, attorney fees, incurred by the holder of this Note in enforcing payment, whether or not suit is filed, and including, without limitation, all costs, attorney fees, and expenses incurred by the holder of this Note in connection with any bankruptcy, reorganization, arrangement, or other similar proceedings involving the undersigned that in any way affects the exercise by the holder of this Note of its rights and remedies under this Note. All costs incurred by the holder of this Note in any action undertaken to obtain relief from the stay of bankruptcy statutes are specifically included in those costs and expenses to be paid by Borrower. Borrower will pay to Lender all attorney fees and other costs referred to in this paragraph on demand.

Any notice, demand, or request relating to any matter set forth herein shall be in writing and shall be given as provided in the Agreement.

No delay or omission of Lender in exercising any right or power arising in connection with any default will be construed as a waiver or as an acquiescence, nor will any single or partial exercise preclude any further exercise. Lender may waive any of the conditions in this Note and no waiver will be deemed to be a waiver of Lender's rights under this Note, but rather will be deemed to have been made in pursuance of this Note and not in modification. No waiver of any default will be construed to be a waiver of or acquiescence in or consent to any preceding or subsequent default.

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DUE ON SALE—CONSENT BY BENEFICIARY. Beneficiary may, at its option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without the Beneficiary's prior written consent, of all or any part of the Property, or any interest in the Property. A "sale or transfer" means the conveyance of the Property or any right, title or interest therein; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Property, or by any other method of conveyance of land interest. If any Trustor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of Trustor. However, this option shall not be exercised by Beneficiary if such exercise is prohibited by applicable law.

Lender may transfer this Note and deliver to the transferee all or any part of the Property then held by it as security under this Note, and the transferee will then become vested with all the powers and rights given to Lender; and Lender will then be forever relieved from any liability or responsibility in the matter, but Lender will retain all rights and powers given by this Note with respect to Property not transferred.

If any one or more of the provisions in this Note is held to be invalid, illegal, or unenforceable in any respect by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions will not in any way be affected or impaired. This Note will be binding on and inure to the benefit of Borrower, Lender, and their respective successors and assigns.

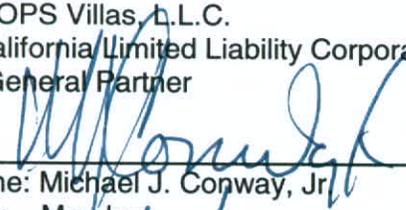
Borrower agrees that this Note will be deemed to have been made under and will be governed by the laws of California in all respects, including matters of construction, validity, and performance, and that none of its terms or provisions may be waived, altered, modified, or amended except as Lender may consent to in a writing duly signed by Lender or its authorized agents.

This Note shall be nonrecourse to Borrower and all its constituent members and may be prepaid at any time without penalty.

In witness whereof, Borrower has caused this Promissory Note to be executed by its authorized agent as of the date and year first above written.

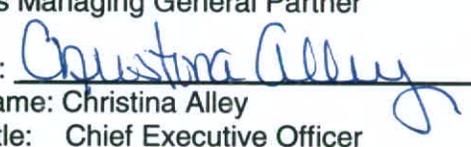
OPS VILLAS, L.P.
a California Limited Partnership.

By: OPS Villas, L.L.C.
a California Limited Liability Corporation
its General Partner

By: 
Name: Michael J. Conway, Jr.
Title: Member

Date: 12/4/07
(Attach notary certificate of acknowledgment)

By: Central Valley Coalition for Affordable
a California nonprofit public benefit corporation,
its Managing General Partner

By: 
Name: Christina Alley
Title: Chief Executive Officer

Date: 12/5/07

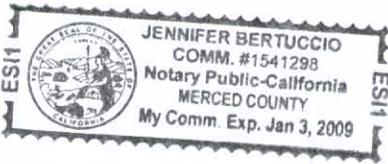
CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

State of California }
 }
County of Merced }

SS

On December 5, 2007, before me, Jennifer Bertuccio, Notary Public, personally appeared Christina Alley, personally known to me [or proved to me on the basis of satisfactory evidence] to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Jennifer Bertuccio
Notary Public

My Commission Expires:
January 3, 2009

OFFICIAL CALIFORNIA NOTARIAL CERTIFICATE

ACKNOWLEDGMENT

State of California

County of Fresno

On December 4, 2007, before me, Mary Costa, Notary Public

personally appeared Michael J. Conway, Jr. personally known to me -

OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the persons(s) acted, executed the instrument.

WITNESS my hand and seal.



Mary Costa

SIGNATURE OF NOTARY

November 28, 2007

Council Adoption: 11/27/07

RECEIVED

TO: MAYOR ALAN AUTRY

Mayor Approval:

Mayor Veto:

Override Request:

FROM: REBECCA E. KLISCH, CMC
City Clerk

REC 2007 DEC 10 PM 2:22

CITY CLERK, FRESNO CA

SUBJECT: TRANSMITTAL OF COUNCIL ACTION FOR APPROVAL OR VETO

At the Council meeting of 11/27/07, Council took legislative action entitled **Auth Amndmnt #1 not to exceed \$975,000, City Home Agrmnt w/OPS Villas LP, devlpmnt of Oak Park Senior Villas@ Willow/Jensen**, Item No. **2B**, by the following vote:

Ayes	:	Dages, Duncan, Sterling, Westerlund, Xiong, Perea
Noes	:	Calhoun
Absent	:	None
Abstain	:	None

Please indicate either your formal approval or veto by completing the following sections and executing and dating your action. Please file the completed memo with the Clerk's office on or before December 10, 2007. In computing the ten day period required by Charter, the first day has been excluded and the tenth day has been included unless the 10th day is a Saturday, Sunday, or holiday, in which case it has also been excluded. Failure to file this memo with the Clerk's office within the required time limit shall constitute approval of the ordinance, resolution or action, and it shall take effect without the Mayor's signed approval.

Thank you.

APPROVED:

VETOED for the following reasons: (Written objections are required by Charter; attach additional sheets if necessary.)


Alan Autry, Mayor

Date: 12/10/07

COUNCIL OVERRIDE ACTION:

Date: _____

Ayes	:
Noes	:
Absent	:
Abstain	: