

ESTOPPEL CERTIFICATE

THIS ESTOPPEL CERTIFICATE (this "Certificate") is entered into as of June 20, 2008 by the **CITY OF FRESNO**, a municipal corporation of the State of California (the "City").

RECITALS

A. OPS Villas, L.P., a California limited partnership (the "Partnership") is the owner of certain real property located in Fresno, California upon which the Partnership has constructed 65 apartment units commonly known as Oak Park Senior Villas (the "Development").

B. The City and the Partnership entered into that certain HOME Investment Partnerships Program Agreement dated April 3, 2007, as amended (the "Loan Agreement"), providing for an original loan of HOME funds to the Partnership in the amount of \$3,910,000 (the "Loan"). On November 27, 2007, the City approved an additional loan of HOME funds in the amount of \$975,000 ("Additional Loan"). The Loan Agreement and all documents evidencing or securing the Loan, including, without limitation, that certain Deed of Trust with Assignment of Rents dated April 3, 2007 and recorded in the office of the Fresno County Recorder on May 24, 2007 as Document No. 2007-0102413 and Amendment 1 dated December 5, 2007 (including, without limitation, any instruments to evidence the making of the Loan and Additional Loan), are collectively referred to herein as the "Loan Documents."

C. The Partnership is comprised of OPS Villas, LLC and Central Valley Coalition for Affordable Housing, as the general partners (collectively the "General Partner"), and Centerline Credit Enhanced Partners LP – Series L, a Delaware limited liability company ("Centerline LP") and Centerline Credit Enhanced SLP LLC – Series L, a Delaware limited liability company ("Centerline SLP"), as the sole limited partners (Centerline LP and Centerline SLP are sometimes collectively referred to herein as "Centerline"), pursuant to that certain Amended and Restated Agreement of Limited Partnership, dated as of August 1, 2007 (the "Partnership Agreement"). Pursuant to a Contribution Agreement of even date with the Partnership Agreement (the "Contribution Agreement"), upon satisfaction of certain conditions including the delivery of this Certificate, Centerline LP will make certain capital contributions to the Partnership which will be used for construction of the Development and other purposes.

D. In executing this Certificate, the City understands and acknowledges that Centerline LP will be relying upon the information and the representations and warranties contained herein in agreeing to make the capital contributions to the Partnership.

E. As of the date hereof, the principal balance due on the Loan and Additional Loan is \$4,885,000.

NOW THEREFORE, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City certifies and agrees as of the date of this Certificate as follows:

1. Loan Documents in Full Force and Effect. The Loan Documents are in full force and effect and have not been amended or modified. Other than the Loan Documents there are no

other documents, agreements or instruments evidencing the provision of the Loan to the Partnership from the City.

2. Centerline. The City hereby acknowledges receipt of the Partnership Agreement.
3. No Defaults. The City has not given any notice of default under the Loan Documents to the Partnership or the General Partner and, to the best of the City's knowledge, without independent investigation, no event or circumstance presently exists which, with giving of notice or the passage of time, or both, would constitute a default by the Partnership under the Loan Documents.
4. Assignment. Without the consent of the City, Centerline LP and Centerline SLP shall have the right to assign their interests as limited partners in the Partnership to an entity which is controlled by Centerline Capital Group Inc. or is under common control with Centerline Capital Group Inc.
5. Removal of General Partner. Without the consent of the City, Centerline SLP shall have the right to remove the General Partner of the Partnership, and substitute Centerline SLP or an affiliate of Centerline SLP as a general partner of the Partnership pursuant to the Partnership Agreement.
6. Notice of Default. The City shall give Centerline SLP notice of any default under the Loan Documents at the following address:

c/o Centerline Capital Group Inc.
625 Madison Avenue
New York, New York 10022
Attn: Andrew J. Weil
7. Centerline SLP Cure Rights. Notwithstanding anything to the contrary contained in the Loan Documents, prior to declaring any default or taking any remedy permitted under the Loan Documents or applicable law based upon an alleged default under the Loan Documents, Centerline SLP shall have a period of not less than thirty (30) days to cure such alleged default; provided, however, if in order to cure such default Centerline SLP reasonably believes that it must remove the General Partner pursuant to the provisions contained in the Partnership Agreement, Centerline SLP shall so notify the City, and so long as Centerline SLP is diligently attempting to so remove the General Partner, Centerline SLP shall have until the date thirty (30) days after the effective date of the removal of the General Partner or General Partners to cure such default.
8. Governing Law. This Certificate shall be governed by and construed in accordance with California law.
9. Conflicts. In the event of any conflict or inconsistency between the terms of this Certificate and any of the Loan Documents, the Loan Documents shall prevail.

NOW THEREFORE, the City has executed this Certificate as of the date first set forth above.

City

CITY OF FRESNO,
A Municipal Corporation

By: Andrew T. Souza

Andrew T. Souza
City Manager

APPROVED AS TO FORM:

JAMES SANCHEZ, City Attorney

By: [Signature]

Deputy/Assistant City Attorney

Date: 7-17-08

ATTEST:

REBECCA E. KLISCH, City Clerk

By: [Signature]

Deputy City Clerk

Date: 7/24/08

Acknowledged by:

Partnership:

OPS VILLAS, L.P., a California limited partnership

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

By: _____
Christina Alley
CEO

By: OPS VILLAS, LLC, a California limited liability
company, its Co-General Partner

By: _____
Name: K. Bree Comstock
Title: Member