

**ASSIGNMENT AND SUBSTITUTION AGREEMENT
AND THIRD AMENDMENT TO
AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF SALINAS ROAD ASSOCIATES**

This Assignment and Substitution Agreement and Third Amendment to Amended and Restated Limited Partnership Agreement of Salinas Road Associates (the “Third Amendment”) is made as of _____, 2015, by and among South County Housing Corporation, a California nonprofit public benefit corporation (“SCHC”), Nuevo Amanecer LLC, a California limited liability company (“Nuevo Amanecer”) and NEF Assignment Corporation, an Illinois not-for-profit corporation as Nominee (the “Limited Partner”) with reference to the following facts:

A. SCHC and the Limited Partner entered into that certain Amended and Restated Limited Partnership Agreement of Salinas Road Associates dated as of November 7, 2005, as amended by a First Amendment to Amended and Restated Limited Partnership Agreement of Salinas Road Associates dated as of February 1, 2007, and as further amended by a Second Amendment to Amended and Restated Limited Partnership Agreement of Salinas Road Associates dated as of January 3, 2008 (collectively, the “Restated Partnership Agreement”).

B. SCHC desires to assign its general partner interest in the Partnership to Nuevo Amanecer and Nuevo Amanecer desires to accept the assignment of SCHC’s general partner interest in the Partnership and enter into the Partnership as a substituted general partner.

C. The parties desire to further amend the Restated Partnership Agreement, as amended, as set forth below.

NOW, THEREFORE, in consideration of the foregoing, the parties hereto mutually agree as follows:

1. SCHC hereby assigns, grants, transfers and sets over to Nuevo Amanecer all of SCHC’s rights, title and interest as the general partner in the Partnership, and Nuevo Amanecer hereby assumes all of SCHC’s obligations as general partner in the Partnership, including without limitation all obligations of SCHC as the general partner under the Restated Partnership Agreement and under the Partnership’s loans described in the consents attached, as if Nuevo Amanecer had executed any and all of said agreements.

2. SCHC hereby knowingly and specifically releases, relinquishes and waives any and all claims and rights, currently known and/or unknown, against the Partnership and Partnership assets. SCHC hereby knowingly waives California Civil Code Section 1542, which provides that a general release does not extend to claims which the creditor does not know or suspect to exist in its favor at the time of executing the release, which if known to it must have materially affected its settlement with the debtor. Notwithstanding the provisions of this Section 2, SCHC specifically retains any and all claims and rights that it has or will have: (i) pursuant to the Restated Partnership Agreement to receive distributions of surplus cash from the Partnership

subject to the terms of that certain Orderly Transition Agreement dated November 4, 2013 (as amended), entered into with Eden Housing, Inc., and (ii) under that certain Commercial Master Lease dated as of October 21, 2003 entered into with the Partnership.

3. The Partnership and the Limited Partner and their respective legal successors shall be deemed to be third party beneficiaries of this Agreement and shall have the right to enforce its provisions.

4. SCHC and Nuevo Amanecer, at the request of the Limited Partner at any time and from time to time after the date hereof, shall execute and deliver all such further documents, and take and forbear from all such action, as may be reasonably necessary or appropriate in order more effectively to perfect the transfers of rights and obligations contemplated herein or otherwise to confirm or carry out the provisions of this Agreement, including executing a counterpart of the Restated Partnership Agreement.

5. SCHC and Nuevo Amanecer hereby represent and warrant that the admission of Nuevo Amanecer to the Partnership and the withdrawal of SCHC from the Partnership shall not constitute a default under any obligations of the Partnership, including but not limited to any and all loans the Partnership has obtained in connection with the development of the residential housing development known as Nuevo Amanecer. The effectiveness of this Third Amendment is subject to the condition precedent that the Partnership obtain the consent of all third parties that are required in connection with the foregoing.

6. This Third Amendment shall not be deemed or construed as releasing SCHC from any obligations as the general partner under the Restated Partnership Agreement incurred prior to the effective date of this Third Amendment.

7. The Restated Partnership Agreement is hereby amended to substitute Nuevo Amanecer as the General Partner and to provide for the withdrawal of SCHC as the general partner.

8. Upon execution of this Third Amendment, SCHC and Nuevo Amanecer shall prepare, sign and file in the Office of the California Secretary of State an amendment to certificate of limited partnership in accordance with the Act.

9. This Third Amendment may be signed by different parties hereto in counterparts with the same effect as if the signatures to each counterpart were upon a single instrument. All counterparts shall be deemed an original of this Third Amendment.

10. Any default under this Third Amendment shall be a default under the Restated Partnership Agreement.

11. Upon execution of this Agreement, Eden Housing, Inc., a California nonprofit public benefit corporation (“Eden”) will execute a guaranty agreement in favor of the Limited Partner.

12. Upon execution of this Agreement, SCHC will assign its rights, title and interest to Baywood Apartments, Inc. in that certain Purchase Option and Right of First Refusal Agreement pursuant to an assignment and assumption agreement.

13. Upon execution of this Agreement, SCHC will assign its rights, title and interest to Eden in that certain Development Fee Agreement pursuant to an assignment and assumption agreement.

14. All capitalized terms not defined herein shall have the meanings ascribed to them in the Restated Partnership Agreement.

IN WITNESS WHEREOF, each of the parties hereto has executed this Third Amendment as of the date first written above.

SCHC:

South County Housing Corporation,
a California nonprofit public benefit corporation

By: _____
Dennis Lalor, President/Chief Executive Officer

NUEVO AMANECER:

Nuevo Amanecer LLC,
a California limited liability company

By: Eden South County, Inc.,
a California nonprofit public benefit corporation,
its sole member/manager

By: _____
Linda Mandolini, President

LIMITED PARTNER:

NEF ASSIGNMENT CORPORATION,
an Illinois not-for-profit corporation, as Nominee

By: _____
Name: _____
Title: _____

California Department of Housing and Community Development provided a loan in the original amount of \$3,300,000 to Salinas Road Associates, a California Limited Partnership (the “Partnership”). In connection therewith, we hereby approve of the assignment from South County Housing Corporation, a California nonprofit public benefit corporation of its general partner interest in the Partnership to Nuevo Amanecer LLC, a California limited liability company pursuant to Assignment and Substitution Agreement and Third Amendment to Amended and Restated Limited Partnership Agreement.

California Department of Housing and Community Development

By: _____

Its: _____

The Redevelopment Agency of the County of Monterey provided a loan in the original amount of \$1,600,000 to Salinas Road Associates, a California Limited Partnership (the "Partnership"). In connection therewith, the County of Monterey, Successor Agency to the Redevelopment Agency of the County of Monterey, hereby approve of the assignment from South County Housing Corporation, a California nonprofit public benefit corporation of its general partner interest in the Partnership to Nuevo Amanecer LLC, a California limited liability company pursuant to Assignment and Substitution Agreement and Third Amendment to Amended and Restated Limited Partnership Agreement.

County of Monterey, Housing Successor Agency to the
Redevelopment Agency of the County of Monterey

By: _____
David Spaur
Its: Economic Development Director

APPROVED AS TO FORM:

By: _____
Rebecca Ceniceros
Its: Deputy County Counsel

The County of Monterey provided a loan in the original amount of \$3,400,000 to Salinas Road Associates, a California Limited Partnership (the “Partnership”). In connection therewith, we hereby approve of the assignment from South County Housing Corporation, a California nonprofit public benefit corporation of its general partner interest in the Partnership to Nuevo Amanecer LLC, a California limited liability company pursuant to Assignment and Substitution Agreement and Third Amendment to Amended and Restated Limited Partnership Agreement.

County of Monterey

By: _____
David Spaur
Its: Economic Development Director

APPROVED AS TO FORM:

By: _____
Rebecca Ceniseros
Its: Deputy County Counsel

United States of America, acting through the United States Department of Agriculture, provided a loan in the original amount of \$3,000,000 and a loan in the original amount of \$805,000 to Salinas Road Associates, a California Limited Partnership (the "Partnership"). In connection therewith, we hereby approve of the assignment from South County Housing Corporation, a California nonprofit public benefit corporation of its general partner interest in the Partnership to Nuevo Amanecer LLC, a California limited liability company pursuant to Assignment and Substitution Agreement and Third Amendment to Amended and Restated Limited Partnership Agreement.

United States of America,
acting through the United States Department of Agriculture

By: _____
Its: _____

Rural California Assistance Corporation provided a loan in the original amount of \$1,500,000 to Salinas Road Associates, a California Limited Partnership (the “Partnership”). In connection therewith, we hereby approve of the assignment from South County Housing Corporation, a California nonprofit public benefit corporation of its general partner interest in the Partnership to Nuevo Amanecer LLC, a California limited liability company pursuant to Assignment and Substitution Agreement and Third Amendment to Amended and Restated Limited Partnership Agreement.

Rural California Assistance Corporation

By: _____
Its: _____

Santa Cruz Community Credit Union provided a loan in the original amount of \$427,000 to Salinas Road Associates, a California Limited Partnership (the “Partnership”). In connection therewith, we hereby approve of the assignment from South County Housing Corporation, a California nonprofit public benefit corporation of its general partner interest in the Partnership to Nuevo Amanecer LLC, a California limited liability company pursuant to Assignment and Substitution Agreement and Third Amendment to Amended and Restated Limited Partnership Agreement.

Santa Cruz Community Credit Union

By: _____
Its: _____

**CONSENT TO ASSIGNMENT
(TCAC CA 2005-841)**

California Tax Credit Allocation Committee hereby consents to the assignment from South County Housing Corporation, a California nonprofit public benefit corporation of its general partner interest in Salinas Road Associates, a California Limited Partnership to Nuevo Amanecer LLC, a California limited liability company, pursuant to the Assignment and Substitution Agreement and Third Amendment to Amended and Restated Limited Partnership Agreement.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

By: _____
Its: _____