

**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 February 1, 2017, 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, 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 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.

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: John Cesare  
John Cesare, Secretary/Chief Financial 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

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: Peter Harrison

Title: Senior Vice President

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: \_\_\_\_\_ See Attached  
Its: \_\_\_\_\_

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF FINANCIAL ASSISTANCE  
RENTAL HOUSING DEVELOPMENT SECTION  
TRANSACTIONS UNIT**

2020 W. El Camino Avenue, Suite 500, Sacramento, CA 95833  
Mail: P. O. Box 952054, Sacramento, CA 94252-2054  
(916) 263-2771 / FAX (916) 263-3393  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



February 14, 2017

John Cesare, CFO  
South County Housing Corporation, General Partner  
Gilroy Transitional Housing Center Associates  
16500 Monterey Road #120  
Morgan Hill, CA 95037

Linda Mandolini, President  
Eden Housing, Inc.  
22645 Grand Street  
Hayward, CA 94541

RE: Salinas Road Associates  
General Partner Substitution Approval  
Nuevo Amanecer Apartments, Pajaro, CA (the "Project")  
Loan Nos.: 00-FWHG-211 & 03-FWHG-283

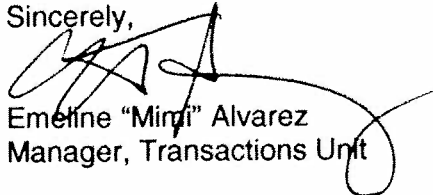
Dear Ms. Mandolini,

Salinas Road Associates, a California limited partnership (the "Partnership" or "Borrower"), is requesting approval to substitute the current General Partner in the Partnership. The current General Partner, South County Housing Corporation, a California nonprofit public benefit corporation, will be substituted with Nuevo Amanecer LLC, a California limited liability company, the sole member and sole manager of which is Eden Housing, Inc., a California nonprofit public benefit corporation ("Eden"). The Project's new sponsor will be Eden.

The substitution will not change the name of the Partnership, nor will it affect day to day operations of the Partnership. All current terms and conditions, including rent restrictions, contained in the Joe Serna Jr., Farmworker Housing Grant Program Regulatory Agreement recorded against the property on July 27, 2005 in the Official Records of Monterey County. This letter acknowledges and approves the General Partner substitution.

Should you have any questions or comments, please contact Jeremy Broughton at (916) 263-2117 or at [jeremy.broughton@hcd.ca.gov](mailto:jeremy.broughton@hcd.ca.gov).

Sincerely,



Emeline "Mimi" Alvarez  
Manager, Transactions Unit

cc: Tatiana Blank, VP of Portfolio Finance and Asset Management, Eden Housing, Inc.  
Honey Lum, Occupancy Manager, HCD, Cari Scott, Fiscal Manager, HCD





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: \_\_\_\_\_ See Attached  
David Spaur  
Its: Economic Development Director

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Rebecca Ceniseros  
Its: Deputy County Counsel



## Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

### Board Order

Upon motion of Supervisor Parker, seconded by Supervisor Phillips and carried by those members present, the Board of Supervisors hereby:

- a. Approved the Assignment and Substitution Agreement and Third Amendment to Amended and Restated Limited Partnership Agreement of Salinas Road Associates; and
- b. Authorized the Director of Economic Development to sign the Assignment and Substitution Agreement and Third Amendment to Amended and Restated Limited Partnership Agreement of Salinas Road Associates.

PASSED AND ADOPTED on this 23rd day of June 2015, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas, Parker and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 78 for the meeting on June 23, 2015.

Dated: July 9, 2015  
File ID: 15-0617

Gail T. Borkowski, Clerk of the Board of Supervisors  
County of Monterey, State of California

By Denise Hancock  
Deputy

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: See Attached  
Its: \_\_\_\_\_



Rural Development  
Davis Office

October 4, 2016

430 G Street # 4169  
Davis, CA  
95616-4169

Voice 530.792.5806  
Fax 530.792.5838  
Tdd: 530.792.5848

Salinas Road Associates, LP  
Nuevo Amanecer, LLC - General Partner  
16500 Monterey Road, Suite 120  
Morgan Hill, CA 95037

Re: Request for Substitution of General Partner – Nuevo Amanecer

Attn: Linda Mandolini, President – Eden South County, Inc. (Sole Member of Nuevo Amanecer, LLC)

We have received and reviewed your request for USDA Rural Development's approval on a substitution of general partner(s) for Nuevo Amanecer, located at 15 Salinas Road, Pajaro, CA in Monterey County.

This transfer of general partner(s) from South County Housing Corporation to Nuevo Amanecer, LLC will not adversely affect the borrower's continued eligibility, the operation of the project, or the multi-family program in the area. The objectives of the loan will not be changed, and the successful operation of the project will not be jeopardized. Title to the property will not be changed, and no new liens will be taken against the USDA security.

Therefore, in accordance with 7 CFR Part 3560, §3560.405, the substitution(s) is acceptable and approved subject to receipt of the final, and recorded organizational documents.

Please provide USDA Rural Development with copies of the final, executed and recorded organizational documents, evidencing the substitution(s), for our files, to the following:

Send one copy to:

Sylvia Barbosa, Area Specialist  
USDA Rural Development  
744-A La Guardia Street  
Salinas, CA 93905

And one copy to:

Debra Moretton, MFH Program Specialist  
USDA Rural Development  
11661 Blocker Drive, Suite 120  
Auburn, CA 95603

If you have any questions, please contact me directly at (530)792-5830.

Sincerely,

Stephen Nnodim  
Multi-Family Housing Program Director

Cc: Sylvia Barbosa, Area Specialist – Salinas Office  
Debbie Boyd, MFH State Servicing Coordinator – Auburn Office  
file

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: See Attached  
Its: \_\_\_\_\_

February 10, 2014

Mr. Dennis Lalor  
President and CEO  
South County Housing

Linda Mandolini  
President  
Eden Housing

Re: Request for Consent to Transfer of Ownership from South County Housing to Eden Housing, Inc. for Nuevo Amanecer in the City of Pajaro

Dear Mr. Lalor and Ms. Mandolini:

In response to your letter of February 4, 2014, and based on previous discussions and agreements, we anticipated receipt of request for a substitution of the General Partner for Salinas Road Associates, A California Limited Partnership. We have no objection to this change; however, to formally process the General Partner (GP) substitution we will need:

1. Organizational document for the new GP entity.
2. Current financial statements for the new GP entity.
3. Draft Amendment to the Amended and Restated Limited Partnership Agreement of Salinas Road Associates (also copies of any intervening amendments, if any).
4. Draft LP-2, Amendment to Certificate of Limited Partnership
5. Attorney's Opinion letter as to legal sufficiency of the transaction and all documents relative thereto.
6. Consent of Limited Partner(s), as required, for the General Partner substitution.

Additional information may be required upon receipt and review of the above.

As I discussed with Dan Lopez, RCAC originated two California Joe Serna Jr. Farmworker Housing loans for this project but servicing for those loans is handled by the California Department of Housing and Community Development. Please contact them directly for their approval.

Please contact Mike Carnes, RCAC Loan Officer at 559-802-3381 or Robert Longman, RCAC Credit Officer at 530-692-9625 should you have any questions.

Sincerely,



Michael D. Carroll  
Loan Fund Director



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: See Attached  
Its: \_\_\_\_\_

Provide current approved information.

Project Name Nuevo Amanecer-Salinas Road	Project Number 04B1149
Project Sponsor South County Housing Corporation	Member Institution Name Santa Cruz Community Credit Union

**Basic Income Modifications**

Indicate project information to be changed:

- Project Name
- Address
- Member
- Project Sponsor
- Other

Provide a brief explanation of the proposed changes. Attach additional pages if necessary.

South County Housing Corporation (SCHC) is beginning the process of dissolving itself. SCHC sought out Eden Housing, Inc. (EHI) to transfer SCHC's general partner interest in the above referenced property's ownership. EHI has created a limited liability company (Nuevo Amanecer LLC) to be the new General Partner. Nuevo Amanecer LLC will have as its sole member/manager Eden South County, Inc. a 501 (c)-3 nonprofit corporation which is an affiliate of EHI. The existing owner of the property, Salinas Road Associates, will remain unchanged as will the existing affordability levels for the residents.

**Scoring Element Modification**

Indicate scoring element to be changed:

- Donation of Property
- Nonprofit Sponsorship (Provide a 501 (c) (3) or tax exempt letter and description of the new sponsor's responsibilities below)
- Targeting Number of Units
- Homeless Housing Unit Reservation
- Promotion of Empowerment
- Special Needs Unit Reservation
- Rural Unit
- First-time Homebuyers Unit Reservation
- Subsidy per Unit
- Community Stability

Provide a brief explanation of the proposed changes. Attach additional pages if necessary.

Not applicable.

Signature

Santa Cruz Community Credit Union by Robert C. Thompson (Member).

hereby certifies to the best of its knowledge that all information provided by the member on the proposed changes requested, is true, accurate and complete in all material respects.

By:

Member Institution Representative <u>Robert C. Thompson</u>	Signature <u>Robert C. Thompson</u>
Title <u>EVP / COO</u>	Date Signed <u>6/17/2015</u>
Email Address <u>bob.thompson@sccu.org</u>	Telephone <u>831-460-2341</u>

By:

Project Sponsor Representative <u>Dennis Lalor</u>	Signature <u>Dennis Lalor</u>
Project Sponsor Organization Name <u>South County Housing Corporation</u>	Date Signed <u>2/28/15</u>
Email Address <u>Dennis@scounty.com</u>	Telephone <u>408-202-7838</u>

For Member and Sponsor transfers only, by:

New Member Institution Representative	Signature
Title	Date Signed
Email Address	Telephone

By:

New Project Sponsor Representative <u>Linda Mendolini</u>	Signature <u>Linda Mendolini</u>
Title <u>President</u>	Date Signed <u>3/11/15</u>
Email Address <u>lmendolini@edenhousing.org</u>	Telephone <u>510-582-1460</u>

**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: See Attached  
Its: \_\_\_\_\_



## CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

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915 Capitol Mall, Suite 485  
Sacramento, CA 95814  
p (916) 654-6340  
f (916) 654-6033  
ctcac@treasurer.ca.gov  
www.treasurer.ca.gov/ctcac

### MEMBERS

JOHN CHIANG, CHAIRMAN  
State Treasurer

BETTY YEE  
State Controller

MICHAEL COHEN  
Director of Finance

EXECUTIVE DIRECTOR  
Mark Stivers

March 16, 2016

Linda Mandolini  
Eden Housing, Inc.  
22645 Grand Street  
Hayward, CA 94541

RE: Nuevo Amanecer (CA-2005-841) and Sequoia Manor (aka Vista Point) CA-2012-867

Dear Ms. Mandolini,

This letter serves as notification that the California Tax Credit Allocation Committee (TCAC) approves the substitution of Redwood Lodge, Inc. (an affiliate of Eden South County, Inc. ) in the place of South County Housing Corporation as the managing general partner for Salinas Road Associates, Limited Partnership. Additionally, TCAC approves the substitution of Sequoia Manor, Inc. in the place of South County Housing Corporation as the managing general partner for EHP Sequoia Manor, LP.

Please be advised that this approval is in accordance with Section 10320(b) of TCAC regulations, which requires TCAC review, and approval of ownership changes.

If you have any comments or questions, please feel free to contact Ammer Singh at (916) 653-4644.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Stivers', is written over a light blue horizontal line.

Mark Stivers  
Executive Director