



Date: July 16, 2025

Development Hearing Officer (DHO)
City of Albuquerque
600 2nd St NW
Albuquerque, NM 87102

Subject: Agent Authorization Letter – DFT/DHO Processing – Tract RR3A1 (Ceja Vista Apartments)

Please find this letter as Authorization for the IIA extension DFT action. Case history project number PR-2018-03145.

These actions will be represented by the following entities:

- DBG Properties LLC – Eric Grodahl
- Huitt-Zollars, Inc. – Scott Eddings, PE

Please note that Ceja Vista Senior Apartments LLLP, the owner of Ceja Vista Apartments and an affiliated entity of DBG Properties LLC, has entered a lease agreement with Bernalillo County for the purposes of property tax abatement. While Bernalillo County is the fee owner of the land, Ceja Vista Senior Apartments LLLP as Lessee holds all signing rights. The Lease Assignment is attached for clarification to the extent needed.

Feel free to contact me if you have any questions or concerns.

Sincerely,

Eric Grodahl
DBG Properties LLC / Ceja Vista Senior Apartments LLLP
Principal

TO BE RECORDED AND UPON RECORDATION RETURN TO:

T. Parker Schenken, Esq.

SHERMAN & HOWARD L.L.C.

500 Marquette Avenue Northwest

Suite 1203

Albuquerque, New Mexico 87102

LEASE AGREEMENT

Between

BERNALILLO COUNTY, NEW MEXICO,
as Issuer,

and

CEJA VISTA SENIOR APARTMENTS LLLP,
as Lessee

Dated as of December 1, 2020

Relating to

\$16,000,000
Bernalillo County, New Mexico
Multifamily Tax-Exempt Mortgage-backed Bonds
(Ceja Vista Senior Apartments Project)
(M-TEMS) Series 2020(FN)

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LEASE AGREEMENT

THIS LEASE AGREEMENT (this “Agreement”), Dated as of December 1, 2020, between **BERNALILLO COUNTY, NEW MEXICO**, a county duly organized and existing under the laws of the State of New Mexico, as the Issuer (the “Issuer”), and **Ceja Vista Senior Apartments LLLP**, a limited liability limited partnership duly organized and existing under the laws of the State of New Mexico, as the Lessee (the “Lessee”).

WITNESSETH:

WHEREAS, the Issuer is empowered under the Act to acquire, construct and equip the Project and lease the Project to the Lessee; and

WHEREAS, pursuant to and in accordance with the laws of the State, including the Act, the Issuer has determined to issue and sell the Bonds in the aggregate principal amount of \$16,000,000 to finance the acquisition, construction, and equipping of the Project with the proceeds of the Bonds; and

WHEREAS, the Bonds will be secured by the Indenture and payable from the Loan Payments; and

WHEREAS, the Issuer proposes to lease the Project to the Lessee and the Lessee desires to lease and rent the Project from the Issuer upon the terms and conditions as set forth hereinafter in this Agreement and the Regulatory Agreement;

NOW, THEREFORE, for and in consideration of the Project and the mutual covenants hereinafter contained, the parties hereto formally covenant and agree as follows:

ARTICLE I DEFINITIONS

All terms used herein which are defined in the Indenture and are not otherwise defined herein shall have the meanings set forth in the Indenture. The following terms shall have, except where the context indicates otherwise, the respective meanings set forth below:

“*Act*” means, collectively, the New Mexico Municipal Housing Act, Sections 3-45-1 through 3-45-25, NMSA 1978, as amended, the New Mexico County Revenue Bonds Act, Sections 4-62-1 through 4-62-10, NMSA 1978, as amended, and Section 4-37-1, NMSA 1978 as amended.

“*Additional Payments*” means the amounts required to be paid by the Lessee pursuant to the provisions of Section 5.02 and any other section of this Agreement, other than Section 5.01.

“*Administration Expenses*” means the reasonable and necessary fees and expenses, including reasonable attorneys’ fees and expenses, incurred by the Issuer or Trustee pursuant to this Agreement, the Indenture or the Financing Agreement.

“*Agreement*” means this Lease Agreement, as amended or supplemented from time to time.

“*Authorized Lessee Representative*” means Walter O. (“Skip”) Grodahl, III, Manager of the general partner of the Lessee, or Eric Grodahl, authorized Member of the general partner of the Lessee, on behalf of the Lessee.

“*Bonds*” means the Bernalillo County, New Mexico Multifamily Tax-Exempt Mortgage-backed Bonds (Ceja Vista Senior Apartments Project), (M-TEMS) Series 2020(FN).

“*Buildings*” means any buildings or other structures or improvements now or hereafter located on the Land, as they may at any time exist.

“*Code*” means the Internal Revenue Code of 1986, as amended, the regulations (whether proposed, temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of or successor provisions to the foregoing, and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing.

“*Completion Date*” means the date of substantial completion of the Project evidenced in accordance with the applicable requirements of the Mortgage Loan Documents and the Financing Documents.

“*Construction Lender*” means Sterling Bank, and/or any other financial institution providing construction financing for the Project.

“*Construction Period*” means the period between the beginning of the acquisition, construction and equipping of the Project and the Completion Date.

“*Event of Default*” means any of the events described as an “event of default” in Section 8.01 hereof.

“*Financing Agreement*” means the Financing Agreement among the Issuer, the Trustee and the Lessee (as Borrower), dated as of December 1, 2020, as amended or supplemented from time to time.

“*Financing Documents*” means, this Agreement, the Financing Agreement, the Indenture, the Regulatory Agreement, the Tax Certificate, and any other instrument or agreement to which the Lessee is a party executed or delivered in connection with the Bonds, this Agreement or the Project.

“*Furniture and Fixtures*” means those items of tangible personal property, if any, described in Exhibit B hereto and any other items of tangible personal property acquired or installed in the Buildings or elsewhere on the Land in substitution therefor or in addition thereto, less such tangible personal property (if any) as may be removed from the Buildings or the Land pursuant to this Agreement, but including any tangible personal property installed by the Lessee under the provisions of this Agreement, all as they may at any time exist.

“Indenture” means the Indenture of Trust between the Issuer and the Trustee, dated as of December 1, 2020, as amended or supplemented from time to time.

“Issuer” means Bernalillo County, New Mexico, a county existing under the laws of the State, or any other governmental entities succeeding to its rights and obligations under this Agreement.

“Land” means the real estate, interests in real estate (except the Buildings) and other rights more particularly described in Exhibit A hereto, including any and all appurtenances thereto, together with all additions thereto and substitutions therefor.

“Lease Payment Date” means January 1 of each calendar year commencing January 1, 2021.

“Lease Term” means the duration of the leasehold estate created by this Agreement pursuant to Section 3.03 hereof.

“Lender” has the meaning provided in Section 10.14 of this Agreement.

“Lessee” means Ceja Vista Senior Apartments LLLP, a limited liability limited partnership organized and existing under the laws of the State, and its lawful successors and assigns, to the extent permitted by Section 6.05 hereof.

“Lessor” means the Issuer.

“Loan Payments” means any and all payments due under the terms of the Financing Documents and the Mortgage Loan Documents.

“Partnership Agreement” means the partnership agreement governing the Lessee as amended, supplemented or restated.

“Permanent Lender” means PNC Bank, National Association, a national banking association, and/or Fannie Mae, its successors and assigns.

“Person,” or words importing persons, means firms, associations, partnerships (including, without limitation, general and limited partnerships), joint ventures, societies, estates, trusts, corporations, public or governmental bodies, other legal entities and natural persons.

“Plans and Specifications” means the plans and specifications describing the Project as now prepared and as they may be changed as herein provided from time to time.

“Project” means the Project described in Exhibit C hereto, which consists of the Land, Buildings and the Furniture and Fixtures, as they may at any time exist.

“Project Purposes” means the operation of the Project in accordance with the Act, the Code and the Regulatory Agreement.

“Rent” means the payments set forth in Section 5.01 hereof.

“*State*” means the State of New Mexico.

“*Trustee*” means Zions Bancorporation, National Association, until a successor trustee shall have become such pursuant to the applicable provisions of the Indenture, and thereafter shall mean such successor trustee.

“*Unassigned Issuer’s Rights*” means all of the rights of the Issuer to receive Additional Payments under Section 5.02 hereof, to be held harmless and indemnified under Section 6.08 or 6.12 hereof, to be reimbursed for attorneys’ fees and expenses under Section 7.05.

ARTICLE II REPRESENTATIONS

Section 2.01. Representations by Issuer. The Issuer makes the following representations as the basis for the undertakings on its part herein contained:

(a) The Issuer is a county organized and existing under and pursuant to the laws of the State and is authorized by the Act to acquire, construct and lease the Project to the Lessee. Under the provisions of the Act, the Issuer has the power to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. The Project is in the public interest of the Issuer. By proper action, the Issuer has duly authorized the execution and delivery of this Agreement.

(b) To finance the cost of the Project, the Issuer proposes to issue the Bonds in the aggregate principal amount of \$16,000,000, which shall mature, bear interest and have such other terms and conditions as are set forth in the Indenture, and the Issuer has taken all necessary official action authorizing the issuance and sale thereof.

(c) The Bonds are to be issued under and secured by the Indenture, pursuant to which all right, title and interest of the Issuer under this Agreement (except for the Unassigned Issuer’s Rights) and the Financing Agreement (except for the Reserved Rights) will be assigned to the Trustee as security for payment of the principal of and premium, if any, and interest on the Bonds.

(d) The Issuer, to the extent within its power or control, will not take or permit, or omit to take or cause to be taken, any action which if taken or omitted, respectively, would adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds.

Section 2.02. Representations and Covenants of Lessee. The Lessee makes the following representations and covenants as the basis for the undertakings on its part herein contained:

(a) The Lessee is a limited liability limited partnership duly organized and validly existing under the laws of, and in good standing in, the State, has power to enter into this Agreement, and by proper action has duly authorized the execution and delivery of this Agreement.

(b) The Lessee by proper action has duly authorized the execution and delivery of this Agreement and each of the other Financing Documents to which it is a party.

(c) The Lessee has executed and delivered this Agreement and each of the other Financing Documents to which it is a party to the Issuer and, when validly executed and delivered by the other parties thereto, such documents, together with the Indenture to the extent applicable to it, will constitute its legal, valid and binding agreements, enforceable against it in accordance with their respective terms, except as the enforceability thereof may be subject to (i) the exercise of judicial discretion in accordance with general equitable principles, and (ii) applicable bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors heretofore or hereafter enacted to the extent that the same may be constitutionally applied, and except that enforceability of indemnification and contribution provisions may be limited, in whole or in part, by applicable security laws or public policy.

(d) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby nor the compliance with the terms and conditions of this Agreement violates the terms of Lessee's Partnership Agreement, or conflicts with or results in a breach of any of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Lessee is now a party or by which it is bound, or constitutes a default under any of the foregoing, or, to the best of the knowledge of the Lessee, results in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Lessee under the terms of any instrument or agreement.

(e) Any certificate signed by an Authorized Lessee Representative and delivered pursuant to the Indenture, this Agreement or any of the other Financing Documents shall be deemed a representation and warranty by the Lessee as to the statements made therein.

(f) The Lessee intends to operate or to cause the Project to be operated to the expiration or sooner termination of the Lease Term as provided herein as a multifamily housing complex for rental to persons of low and moderate income and a "housing project" as defined in the Act.

(g) The Land is properly zoned for the construction and operation of the Project. All ordinances necessary to affect such zoning have been duly and validly adopted by the City of Albuquerque, New Mexico in accordance with the laws of the State. All such ordinances are in full force and effect and have not been repealed, rescinded or revoked. The Land is properly subdivided and consists of a single tax parcel.

(h) No part of the Project is being condemned or under threat of condemnation by any public agency.

(i) Upon completion, to the best of the knowledge of the Lessee, the Project will comply with all applicable zoning and planning ordinances, building codes, flood regulations, environmental laws and regulations, restrictive covenants, deed restrictions,

and all other applicable laws, ordinances, statutes, rules and regulations relating to the Project.

(j) The Lessee has obtained (or will timely obtain as required) such licenses, permits and approvals necessary for the construction of the Project and the ownership or conduct of its business, including the transactions contemplated by the Indenture, this Agreement and each of the other Financing Documents.

(k) The Lessee shall notify the Trustee and the Issuer immediately in writing of an Event of Default by it in the performance or observance of any covenant, agreement, representation, warranty or obligation of the Lessee set forth in this Agreement and any of the other Financing Documents to which it is a party.

(l) There are no pending or, to the best of the knowledge of the Lessee, threatened legal or administrative proceedings against the Lessee or affecting the Project which, if determined adversely, would have a material adverse effect on the Lessee or the Project.

(m) No information, statement or report furnished in writing to the Issuer or the Trustee or its agents, counsel or independent contractors, by it or by its agents in connection with this Agreement and the other Financing Documents and the consummation of the transactions contemplated hereby and thereby (including, without limitation, any information furnished by or on behalf of it in connection with the preparation of any official statement, limited offering memorandum or other offering memorandum) contains any material misstatement of fact or to the best of its knowledge after reasonable investigation omits to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading and the representations and warranties of it and the statements, information and descriptions contained in its closing certificates, as of the date of delivery of the Bonds, will be true, correct and complete in all material respects, will not contain any untrue statement of a material fact, and will not, to the best of its knowledge after reasonable investigation, omit to state a material fact necessary to make the certifications, representations, warranties, statements, information and descriptions contained therein, in light of the circumstances under which they were made, not misleading, and the estimates and the assumptions contained in its closing certificates, as of the date of delivery of the Bonds, will be reasonable and based on the best information available to it.

(n) To the best of the knowledge of the Lessee, all utilities, including water, sewer, electricity, gas and communications, necessary for construction and operation of the Project are available. To the best of the knowledge of the Lessee all necessary steps have been taken by the Lessee to insure the complete construction and installation of such utilities.

(o) To the best of the knowledge of the Lessee all roads or alleyways necessary for the full utilization of the Project upon completion for its intended purposes are available or have been completed, or the necessary rights-of-way therefor have been acquired.

(p) The Lessee further represents, warrants and agrees that, other than entering into its obligations hereunder and under the other Financing Documents, it will not acquire property or engage in any other activity that would cause it to lose its status as a “single-purpose entity” and shall not:

(i) Engage, directly or indirectly, in any business other than that arising out of or entering into this Agreement and the other Financing Documents to which it is a party and the ownership, management, leasing, construction, development, operation and maintenance of the Project;

(ii) acquire any real or personal property other than the respective property encumbered by the mortgage to which it is a party;

(iii) Commingle its assets with the assets of any other entity or otherwise maintain its assets in a way difficult to aggregate and identify;

(iv) Except in connection with a disposition of one or more of the multifamily housing facilities comprising the Project (to the extent permitted under the terms of this Agreement, the Mortgage Loan Documents and the Financing Documents), partition the Project; or

(v) Except in connection with a disposition of one or more of the multifamily housing facilities comprising the Project (to the extent permitted under the terms of this Agreement, the Mortgage Loan Documents and the Financing Documents), dissolve, liquidate, consolidate, merge or sell substantially all of its assets; or engage in any business other than the ownership and operation of the Project.

(q) The Lessee further covenants that it:

(i) Will do or cause to be done all things necessary to preserve and keep its existence in full force and effect;

(ii) Will not engage in, seek or consent to any dissolution, winding up, liquidation, consolidation, merger or asset sale, and will maintain adequate capitalization (taking into account, among other things, the market value of its assets) for its business purposes;

(iii) Will pay all expenses of the Project from its assets;

(iv) Will maintain separate books and records and bank accounts and will maintain a separate business office (which may be a management office at the Project);

(v) Will at all times hold itself out to the public as a separate and distinct legal entity (including in its leasing activities, in entering into any contract and in preparing its financial statements) and will observe organizational formalities in conducting its business; and

(vi) Will file its own tax returns and other financial statements or, if part of a consolidated group, will join in the consolidated tax return of such group as a separate member thereof; and will cause its management to meet regularly to carry on its business.

(r) The Lessee will not fail to correct any known misunderstanding regarding its separate identity. The Lessee will not acquire obligations or securities of its partners or shareholders or members of its partners. Correspondence on behalf of the Lessee shall be sent on its own letterhead (if any) or on the letterhead of a project manager.

(s) The Lessee acknowledges, accepts and agrees to its obligations (and all obligations assigned to it or described as its responsibility) under the Indenture.

ARTICLE III DEMISING CLAUSE; EFFECTIVE DATE OF LEASE; DURATION OF LEASE TERM

Section 3.01. Conveyance of Project. The Lessee represents that it has taken all steps necessary to assure that prior to the effectiveness hereof the Issuer holds all right, title and interest in the Land and the Project sufficient for Issuer to enter into and carry out its obligations under this Agreement.

Section 3.02. Demise of Project. The Issuer hereby leases to the Lessee, and the Lessee hereby leases from the Issuer, any and all right, title and interest of the Issuer in and to the Land and the Project, whether derived by the Issuer from the Lessee pursuant to Section 3.01 hereof or otherwise, in accordance with the provisions hereof.

Section 3.03. Effective Date of Agreement; Duration of Lease Term. This Agreement shall become effective upon its execution and the leasehold estate created hereby, and the Lease Term shall then begin and, subject to the provisions of this Agreement (including particularly Articles VIII and IX hereof), the Lease Term shall expire on January 1, 2054.

Section 3.04. Lessee in Possession; Liens. The Issuer acknowledges that the Lessee is in possession of the Project. The Issuer covenants that it will not take any action, other than pursuant to Article VIII of this Agreement, to prevent the Lessee from having quiet and peaceable possession and enjoyment of the Project during the Lease Term (subject to the right of the Issuer and the Trustee to enter thereon and have access thereto pursuant to the provisions of Section 6.04 hereof) and will, at the request of the Lessee and at the cost of the Lessee, cooperate with the Lessee for that purpose. Issuer, further covenants that it will not, except as otherwise permitted by the Financing Documents, permit any liens, covenants, conditions, restrictions, easements, rights of way, options or encumbrances against the Project or permit any document to be recorded in the land records affecting the Project without the prior written consent of Lessee.

Section 3.05. Financing Lease. The Issuer and Lessee agree, notwithstanding any provision to the contrary in this Agreement: (i) this Agreement is intended to be, and shall be treated and construed as, a financing lease for federal and state income tax purposes and: (ii) Lessee will use the proceeds of the Bonds delivered to it by the Issuer to purchase the Land and construct and equip the Buildings, and for federal and state income tax purposes, shall be treated

as owing the Land and Buildings during the entire term of this agreement and any and all depreciation, amortization and tax credits may be deducted or credited exclusively to Lessee.

ARTICLE IV CONSTRUCTION, MAINTENANCE AND OPERATION OF THE PROJECT

Section 4.01. Acquisition, Construction, Installation, Equipment and Improvement. The Lessee (a) shall construct, install, improve and equip the Project with all reasonable dispatch and in substantial accordance with the Plans and Specifications, (b) shall pay when due all fees, costs and expenses incurred in connection with that acquisition, construction, installation, equipping and improving from funds made available therefor in accordance with the Financing Documents and the Mortgage Loan Documents or otherwise, except to the extent being contested in good faith and for which adequate reserves shall have been established, (c) shall ask, demand, sue for, levy, recover and receive all those sums of money, debts and other demands whatsoever which may be due, owing and payable under the terms of any contract, order, receipt, writing and instruction in connection with the acquisition, rehabilitation, improvement and equipping of the Project, and shall enforce the provisions of any contract, agreement, obligation, bond or other performance security with respect thereto; and (d) shall maintain the Project in good repair and condition (excepting reasonable wear and tear). It is understood that the Project is that of the Lessee and any contracts made by the Lessee with respect thereto, whether acquisition contracts, construction contracts or otherwise, or any work to be done by the Lessee on the Project are made or done by the Lessee in its own behalf and not as agent or contractor for the Issuer. The Lessee agrees that it will compensate all workers employed in the construction and improvement of the Project as required by law.

Section 4.02. Plans and Specifications. The Lessee may revise the Plans and Specifications from time to time, provided that no revision shall be made which would change the Project Purposes to other than purposes permitted by the Act and the Regulatory Agreement or would adversely impact the tax-exempt status of the Bonds. At or prior to the execution and delivery of this Agreement, the Lessee shall provide to the Underwriter evidence acceptable to the Underwriter, in its sole discretion, of the availability of all financing contemplated by the plan of financing for the Project including, without limitation (and without regard to whether the immediate availability of such financing is a condition to undertaking the Project), the equity portion of the financing and all other public and private financing and any interim or bridge financing to be provided in anticipation of the closing of any of the foregoing aspects of the financing therefor. Any material changes in the plan of financing shall be communicated promptly to the Underwriter. Copies of all documents evidencing that financing, and the security therefor, all in form reasonably acceptable to the Underwriter, shall have been provided to the Issuer.

ARTICLE V RENT, ADDITIONAL PAYMENTS

Section 5.01. Rent. On each Lease Payment Date, the Lessee shall pay, as Rent, the sum of \$100.

Section 5.02. Additional Payments. Additional payments (“Additional Payments”) in the amount of any payment which accrues under this Agreement and the other Financing Documents while this Agreement is in effect (which Additional Payments shall include any and all charges or other amounts which Lessee is obligated to pay under this Agreement and the other Financing Documents, including, but not limited to, Administration Expenses, costs of taxes, insurance and public utility charges, other than the Rent). Such Additional Payments, unless required to be paid sooner hereunder or other the terms otherwise applicable to the payment of such Additional Payments, and subject to the provisions of paragraph 5.03, shall be due and payable within 30 days of written demand therefor by the Issuer or other party to whom such payment is due. The Borrower also agrees to make all payments to be made by the Borrower under the terms of the Mortgage Loan Documents as and when the same are due.

Section 5.03. Place of Payments. The Lessee shall pay Rent directly to the Issuer. Additional Payments shall be made directly to the person or entity to whom or to which they are due.

Section 5.04. Obligations of Lessee Hereunder Unconditional. The obligations of the Lessee to make payment of the Rent, the Additional Payments and any other payments required of the Lessee under this Agreement and to perform and observe the other agreements on its part contained in this Agreement shall be absolute and unconditional, and the Lessee (a) shall make such payments without abatement, diminution or deduction, regardless of any cause or circumstances whatsoever, including, without limitation, any defense, setoff, recoupment or counterclaim which the Lessee may have or assert against the Issuer, the Trustee, or any other Person, (b) shall not suspend or discontinue, or permit the suspension or discontinuance of, any such payments, (c) will not fail to perform and observe such other agreements and (d) except as provided in Section 8.02 hereof, shall not terminate the Lease Term for any cause, including, without limiting the generality of the foregoing, failure to complete the Project, any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws or administrative rulings of or administrative actions by the United States of America or the State or any political subdivision of either, or any failure of the Issuer to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Agreement, whether express or implied. Nothing contained in this Section shall be construed to release the Issuer from the performance of any agreements on its part herein contained; and, in the event the Issuer fails to perform any such agreement on its part, the Lessee may institute such action against the Issuer as the Lessee may deem necessary to compel performance, provided that no such action shall violate the agreements on the part of the Lessee contained in the first sentence of this Section or diminish the amounts required to be paid by the Lessee pursuant to Section 5.01 or 5.02 hereof. The Lessee may, however, at its own cost and expense and in its own name or in the name of the Issuer, prosecute or defend any action or proceeding or take any other action involving third persons which the Lessee deems reasonably necessary in order to secure or protect its right of possession, occupancy and use hereunder, and in such event the Issuer hereby agrees (at the sole risk and expense of the Lessee) to cooperate fully with the Lessee and to take all action reasonably necessary to effect the substitution of the Lessee for the Issuer in any such action or proceeding if the Lessee so requests.

ARTICLE VI SPECIAL COVENANTS

Section 6.01. Compliance with Financing Documents. The Lessee agrees to comply with all of its obligations under the Financing Documents.

Section 6.02. Housing Project. The Lessee agrees to construct, own and operate the Project as a “housing project” as defined in the Act.

Section 6.03. No Warranty of Condition or Suitability by Issuer. The Issuer makes no warranty, either express or implied except as expressly set forth herein, as to the title to the Land or the condition of the Project or that it is suitable for the Lessee’s purposes or needs. THE ISSUER MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR FITNESS FOR USE OF THE PROJECT OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE PROJECT, INCLUDING FINANCIAL STATEMENTS WHICH MAY HAVE BEEN SUBMITTED IN CONNECTION THEREWITH.

Section 6.04. Right of Access to Project. The Lessee agrees that the Issuer, the Trustee and any of their duly authorized agents shall have the right at all reasonable times upon reasonable notice to enter upon and examine and inspect the Project to verify the Lessee’s compliance with the terms of this Agreement. This right in no way confers upon the Issuer or the Trustee the duty or obligation to do so, or to inspect the safety conditions of the Project or to make repairs, maintain or operate the Project, and the Lessee undertakes sole responsibility for the condition, repair, maintenance and operation of the Project and indemnifies and holds the Issuer and the Trustee harmless for all claims and liabilities resulting from or based upon the condition, repair, maintenance or operation of the Project.

Section 6.05. Lessee To Maintain Existence; Conditions Under Which Exceptions Permitted. The Lessee agrees that during the Lease Term it shall remain a limited liability limited partnership, organized under the laws of the State, shall not dissolve or otherwise dispose of all or substantially all of its assets, and shall not consolidate with or merge into another entity or permit one or more other entities to consolidate with or merge into it, provided the Lessee may, without violating the agreement contained in this Section (but subject to any applicable terms of the Mortgage Loan Documents or the Financing Documents), consolidate with or merge into another domestic entity (i.e., an entity organized and existing under the laws of one of the states of the United States), or permit one or more other domestic entities to consolidate with or merge into it, or sell or otherwise transfer to another domestic entity all or substantially all of its assets and thereafter dissolve, provided the surviving, resulting or transferee entity, as the case may be, assumes in writing all of the obligations of the Lessee herein, qualifies to do business in the State, and has a net worth immediately subsequent to such acquisition, consolidation or merger at least equal to that of the Lessee before such act. Any permitted consolidation or merger is subject to the prior written approval of the Issuer.

Section 6.06. Good Standing in State. The Lessee warrants that it is now and covenants that throughout the Lease Term it will continue to be in good standing in the State.

Section 6.07. Granting of Easements. If no Event of Default has happened and is continuing, the Lessee may at any time grant easements, licenses, rights-of-way (including the dedication of public highways) and other rights or privileges in the nature of easements with respect to any property included in the Project, or the Lessee may release existing easements, licenses, rights-of-way, and other rights or privileges with or without consideration, and the Issuer agrees that it shall execute and deliver and will cause and direct the Trustee to execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege, upon receipt by the Issuer and the Trustee of: (a) a copy of the instrument of grant or release; (b) a written application signed by the general partner of the Lessee requesting the execution and delivery of such instrument; and (c) a certificate executed by the general partner of the Lessee stating (i) that such grant or release is not detrimental to the proper conduct of the business of the Lessee, and (ii) that such grant or release will not impair the effective use or interfere with the operation of the Project or the tax-exempt status of the Bonds.

Section 6.08. Release and Indemnification Covenants. The Lessee releases the Trustee and the Issuer, and their officers, employees and agents, from, agrees that the Trustee and the Issuer, and their officers, employees and agents, shall not be liable for, and agrees to hold the Trustee and the Issuer, and their officers, employees and agents (collectively, the “Indemnified Parties”), harmless against, any loss or damage to property or any injury or death that may be occasioned by any defect in or on the Project, or by any cause whatsoever pertaining to the Project or the use thereof, including, without limiting the generality of the foregoing, performance of its duties under the Indenture, this Agreement or the Bonds, or arising from its holding of title to the Project.

Notwithstanding any other provisions of this Agreement to the contrary, the Lessee agrees that the Indemnified Parties shall not be liable for and agrees to release, indemnify and hold the Indemnified Parties harmless against any loss, damage, liability, penalties, attorneys’ fees and expenses that the Indemnified Parties may incur in connection with the Project, including, but not limited to, the acquisition, construction and equipping of the Project or the failure of the Project to comply with any federal, state or municipal laws and regulations and including, but not limited to, all potential liability referenced elsewhere in this Section.

Notwithstanding the fact that it is the intention of the parties that the Indemnified Parties shall not incur pecuniary liability by reason of the execution of this Agreement or undertakings under this Agreement, by reason of issuance of the Bonds, by reason of the execution of the Indenture, by reason of the performance of any act required of them by this Agreement or the Indenture, by reason of the performance of any act related to this Agreement, the Indenture or the Bonds requested of them by the Lessee, or by reason of the Issuer’s position as the Issuer of the Project under this Agreement and as holder of title to the Project, nevertheless, if any Indemnified Parties incur any such pecuniary liability, then, in such event, the Lessee shall indemnify and hold harmless such Indemnified Parties against all claims by or on behalf of any person arising out of the same and all costs, attorneys’ fees and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice, the Lessee shall defend such Indemnified Parties, in any such action or proceeding, provided that if Section 56-7-1 NMSA 1978 shall be applicable to this Agreement any agreement to indemnify, hold harmless, insure or defend another party contained herein shall not extend to

liability, claims, damages, losses or expenses, including attorney's fees, arising out of bodily injury to persons or damage to property caused by or resulting from, in whole or in part, the negligent act or omission of the indemnitee, its officers, employees or agents.

Nothing in this Section 6.08 shall be deemed to provide indemnification to an Indemnified Party with respect to liabilities arising from the fraud, gross negligence or willful misconduct of such Indemnified Party.

Promptly after receipt by an Indemnified Party of notice of the commencement of any action or proceeding with respect to which indemnification is being sought hereunder, such Indemnified Party will notify the Lessee of the commencement of such proceeding. Such notification shall be a necessary condition precedent to indemnification hereunder, but failure to so notify the Lessee will not relieve it from the liability to an Indemnified Party which the Lessee may have otherwise. As to parties other than the Issuer, if the Lessee so elects, it may assume the defense of such action or proceeding, including the employment of counsel reasonably satisfactory to the Indemnified party and will pay the fees and disbursements of such counsel. However, notwithstanding the foregoing, (a) if counsel for such Indemnified Party and counsel for the Lessee agree that (i) having common counsel to represent both and the Indemnified Party would present a conflict of interest or (ii) defenses are available to such Indemnified Party which are not available to the Lessee or (b) if the Lessee fails to assume the defense of the action or proceeding in a timely manner, then such Indemnified Party may employ separate counsel to represent or defend it in any such action or proceeding and the Lessee will pay the reasonable fees and disbursements of such counsel.

However, in no event shall the Lessee be liable for more than one counsel (in addition to any local counsel) separate from its own counsel for the Indemnified Parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. In any action or proceeding, the defense of which the Lessee assumes, the Indemnified Party will have the right to participate in such litigation and to retain its own counsel at such Indemnified Party's own expense. No Indemnified Party shall settle any complaint, claim, action, suit or other proceeding for which indemnification is being sought hereunder, without the prior consent of the Lessee.

The Indemnified Parties (to the extent not parties to this Agreement) shall be considered to be third-party beneficiaries of this Agreement for purposes of this Section.

The obligations of the Lessee under this Section 6.08 are independent of any other contractual obligation of the Lessee to provide indemnity to the Indemnified Parties named herein, and the obligation of the Lessee to provide indemnity hereunder may not be interpreted, construed or limited in light of any other separate indemnification obligation of the Lessee. Any indemnified party is entitled simultaneously to seek indemnity under this Section 6.08 and any other provision hereof or of the other Financing Documents or Mortgage Loan Documents under which it is entitled to indemnity from the Lessee; provided, however, such Indemnified Party shall be entitled to only one recovery of indemnity for the same liabilities.

Section 6.09. Authority of Authorized Lessee Representative. Whenever under the provisions of this Agreement the approval of the Lessee is required, or the Issuer is required to

take some action at the request of the Lessee, such approval or such request shall be made by the Authorized Lessee Representative unless otherwise specified in this Agreement, and the Issuer or the Trustee (or the Trustee alone, if consistent with this Agreement and the Indenture) shall be authorized to act on any such approval or request and the Lessee shall have no complaint against the Issuer or the Trustee as a result of any such action taken.

Section 6.10. Property Taxes. As long as the Project continues to be used as a “housing project”, as defined in the Act, the portion of the Project constituting real property shall be exempt from taxation as provided in NMSA Section 3-45-19 until a deed conveying the Project to a nonexempt entity is executed and delivered by the Lessor. For the avoidance of doubt, an assignment of this Agreement in accordance with the requirements herein shall not be deemed a conveyance of the Project to a nonexempt entity so long as the Issuer continues to be the lessor under this Agreement.

Section 6.11. DTC Letter of Representation. The Lessee shall perform or cause to be performed all obligations of the Issuer under any Letters of Representations from the Issuer and the Trustee to The Depository Trust Company, and the Lessee shall indemnify and hold harmless the Issuer for all claims and liabilities resulting from or based upon such obligations.

Section 6.12. Environmental Covenants.

(a) The Lessee represents, warrants and covenants that the Lessee has caused a Phase I Environmental Site Assessment of the Project to be conducted, and based upon that report, the Lessee neither knows of nor has any reason to know of (i) any activity on the Project, or any release, discharge, storage, treatment or disposal of any waste or substance connected with any activity on the Project, which has been conducted, or is being conducted, in violation of any Environmental Law; (ii) any of the following present on the Project which could give rise to liabilities, costs for remediation or an adverse change in the business, operations, assets, condition (financial or otherwise) or prospects of the Lessee: (A) Contamination (defined below), (B) polychlorinated biphenyls, (C) asbestos or asbestos-containing materials, (D) urea formaldehyde foam insulation, or (E) tanks presently or formerly used for the storage of any liquid or gas; (iii) any investigation or findings pertaining to the Project regarding the presence of radon gas or radioactive decay products of radon or the presence of radon or radon products in any existing structure, including the Project, in a concentration materially in excess either of concentrations disclosed in any investigation or of the “acceptable level” as defined in Section 6.12(d); and (iv) the presence on the Project of tanks presently or formerly used for the storage of any liquid or gas below ground. The Lessee further represents and warrants to the Issuer and the Trustee and covenants that to the best of its knowledge, the Lessee is now complying, and will continue to comply, with all Environmental Laws applicable to the Project and its use and that there are currently no Hazardous Substances or Contamination in, on or under the Project. The Lessee further represents and warrants that no notice from any governmental body has ever been served upon the Lessee or, to the Lessee’s knowledge after due inquiry, upon any prior owner of the Project, claiming a violation of or under any federal, state or local law, statute, regulation or ordinance concerning the environmental state, condition or quality of the Project, or the use thereof or requiring or calling attention to the need for any work, repairs, construction, removal,

cleanup, alterations, demolition, remediation, renovation or installation on, or in connection with, the Project. Upon receipt of any such notice, the Lessee shall take any and all steps, and perform any and all actions necessary or appropriate to comply with the same, at the Lessee's sole expense.

(b) The Lessee shall cause all activities on the Project, and all storage treatment and disposal of any waste connected with any activity at such sites, to be conducted in compliance with all Environmental Laws. The Lessee shall cause all permits, licenses and approvals to be obtained, and shall cause all notifications to be made, as required by Environmental Laws in connection with the Project and the activities conducted at the Project and shall, at all times, cause compliance with the terms and conditions of all such approvals and notifications. If requested by the Trustee or the Issuer, the Lessee shall provide to the Trustee and the Issuer copies of (i) applications or other materials submitted to any governmental agency in compliance with Environmental Laws, (ii) any notifications submitted to any person pursuant to Environmental Laws, (iii) any permit, license, approval, amendment or modification thereto granted pursuant to Environmental Laws, (iv) any record or manifest required to be maintained pursuant to Environmental Laws, (v) any correspondence, notice of violation, summons, order, complaint or other document received by the Lessee or assigns, pertaining to Contamination, the costs of remediating Contamination, or compliance with any Environmental Laws, and (vi) all reports relating to any site assessments, studies or testing of the Project.

(c) During the term of this Agreement, the Lessee (i) will not cause, contribute to or permit any Contamination; (ii) shall comply with and shall cause all occupants of the Project to comply with all Environmental Laws; (iii) shall pay immediately when due the cost of removal of any Hazardous Substance or Contamination in, on or under the Project; (iv) shall keep the Project free of any lien imposed pursuant to any Environmental Laws; and (v) shall not install or permit the installation of friable asbestos or any substance containing asbestos, or any machinery, equipment or fixtures containing polychlorinated biphenyls (PCBs) in or on the Project. With respect to any Hazardous Substance or Contamination currently present in, on or under the Project, the Lessee shall promptly comply with all applicable Environmental Laws regarding the safe removal thereof, at the Lessee's sole expense.

(d) The Lessee will cause all construction of new structures on the Project during the term of this Agreement to use design features which reasonably safeguard against the accumulation of radon or radon products in concentrations exceeding the acceptable level in any such new structure. For purposes of this paragraph, "acceptable level" shall mean the lowest applicable maximum concentration established by any governmental agency with jurisdiction over the Project. In the absence of a legally binding maximum concentration, the "acceptable level" shall be an air concentration of four picocuries per liter average annual concentration.

(e) Upon the occurrence of an Event of Default, the Trustee or the Issuer may, in its discretion, with no obligation to do so, commission an investigation at the Lessee's expense of (i) compliance at the Project with Environmental Laws, (ii) the presence of

Hazardous Substances or Contamination at the Project, (iii) the presence at the Project of materials which are described in Section 6.12(a)(ii), (iv) the presence at the Project of environmentally sensitive areas, (v) the presence at the Project of radon products, or (vi) the presence at the Project of tanks of the type described in Section 6.12(a)(iv) hereof. In connection with any investigation pursuant to this paragraph, the Lessee and assigns will comply with any reasonable request for information made by the Issuer or the Trustee or their respective agents in connection with any such investigation. Any response to any such request for information will be in full and complete. The Lessee will assist the Issuer and the Trustee and their respective agents to obtain any records pertaining to the Project or to the Lessee or assigns of the Lessee in connection with an investigation pursuant to this paragraph. The Lessee will accord the Issuer and the Trustee and their respective agents access to all areas of the Project at reasonable times and in reasonable manners in connection with any investigation pursuant to this paragraph. The Lessee hereby grants the Issuer and the Trustee and their respective officers, employees and agents an irrevocable and nonexclusive license to enter the Project to conduct testing and to remove any Hazardous Substances or Contamination, and the cost of such testing and removal shall be at the Lessee's expense and shall constitute an additional advance under, and shall be secured by, this Agreement. No investigation commissioned pursuant to this paragraph shall relieve the Lessee from any responsibility for its representations and warranties under Section 6.12(a).

(f) Subject to Section 6.08 hereof, the Lessee hereby agrees to indemnify and hold harmless the Trustee and the Issuer of, from and against any and all expense, loss or liability suffered by the Trustee and the Issuer by reason of the Lessee's breach of any of the provisions of this Section 6.12, including (but not limited to): (i) any and all expense that the Trustee and the Issuer may incur in complying with any Environmental Laws; (ii) any and all costs that the Trustee and the Issuer may incur in studying or remedying any Contamination; (iii) any and all fines, penalties or other sanctions (including a voiding of any transfer of the Project) assessed upon the Trustee and the Issuer as a result of the occurrence of any violation of any Environmental Laws as a result of any Contamination or Hazardous Substances being in or under the Project or any adjacent property; (iv) any and all loss of value of the Project by reason of (A) failure to comply with Environmental Laws, (B) the presence at the Project of any Hazardous Substances, (C) the presence at the Project of any materials which are described in Section 6.12(a)(ii), (D) the presence at the Project of any environmentally sensitive areas, (E) the presence at the Project of radon or radon products in concentrations not disclosed pursuant to Section 6.12(a) or (F) the presence at the Project of any tank presently or formerly used for the storage of any liquid or gas below ground; and (v) any and all legal and professional fees and expenses incurred by the Trustee in connection with the foregoing.

(g) Notwithstanding any other provision of this Agreement to the contrary, the obligations of the Lessee set forth in this Section 6.12 shall be personal obligations of the Lessee with full recourse against any assets of the Lessee for satisfaction of such obligations.

(h) For purposes of this Section 6.12, the following terms shall have the meanings ascribed to them as follows:

(i) “Contamination” means the unconstrained presence of Hazardous Substances on the Project, or arising from activities on the Project, which may require remediation under any applicable law.

(ii) “Environmental Laws” means all environmental statutes, ordinances, regulations permits, orders and requirements of common law concerning (A) activities on the Project, (B) repairs or construction of any improvements on the Project, (C) handling of any materials on the Project, (D) discharges to the air, soil, surface water or ground water from the Project and (E) storage, treatment or disposal of any waste at or connected with any activity on the Project.

(iii) “Hazardous Substances” means (A) any “hazardous substance” as defined in or pursuant to the federal Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601(14)), as amended from time to time, and regulations promulgated thereunder; (B) any “regulated substance” within the meaning of Subtitle I of the federal Resource Conservation Recovery Act (42 U.S.C. § 6901(2)), as amended from time to time, and regulations promulgated thereunder; (C) any “hazardous substances,” “hazardous wastes” and “hazardous materials” as defined in or pursuant to the New Mexico Hazardous Waste Act, Sections 74-4-1 through 74-4-14 NMSA 1978, as amended or any other State statute relating to environmental matters, as amended from time to time, and regulations promulgated thereunder; (D) any substance the presence of which on the applicable Project is prohibited by law similar to those set forth in this definition; and (E) any other substance which by law requires special handling in its collection, storage, treatment or disposal except limited quantities of flammable hydrocarbon compounds (e.g., gasoline, paints, paint thinner, cleaning fluids and sealants) used in the ordinary customary course of performing lawn and other maintenance activities and such compounds are stored only in such quantities as are reasonably related to such maintenance needs at the Project and that appropriate storage containers are utilized.

ARTICLE VII

RESTRICTIONS OF SALE OR ASSIGNMENT; FINANCIAL MONITORING; OPERATION OF PROJECT; PREPAYMENT AND ABATEMENT

Section 7.01. Assignment and Subleasing by Lessee. Except as set forth in Section 7.02, without the prior written consent of the Issuer and, while any Bonds remain outstanding, the Trustee, the Lessee may not assign its rights under this Agreement or sublease the Project, in whole or in part other than in connection with the rental of residential rental units at the Project in the ordinary course of business of the Lessee.

Section 7.02. Restrictions on Sale of Project by Issuer; Covenant of Quiet Enjoyment. The Issuer agrees that, except as set forth in Section 7.01 and this Section 7.02 and Articles IX and X hereof or in the Indenture, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Project during the Lease Term; and so long as the Lessee shall pay the Rent when due hereunder and no Event of Default shall have occurred and be

continuing hereunder, the Lessee shall have, hold and enjoy, throughout the Lease Term, peaceful, quiet and undisputed possession of the Project, and the Issuer from time to time shall take all necessary and appropriate action to that end.

Section 7.03. Permitted Transfers. Notwithstanding anything to the contrary contained herein and subject to the consent of Fannie Mae prior to each occurrence in accordance with the Mortgage Loan Documents and the Financing Documents, the following shall be permitted and shall not require the prior written approval of Issuer, the Lender or Trustee, (a) the transfer by the Investor Limited Partner of its interest in Lessee in accordance with the terms of Lessee's Partnership Agreement, (b) the removal of the general partner of Lessee in accordance with the Partnership Agreement and the replacement thereof with (i) the Investor Limited Partner, or any of its affiliates, or (ii) a substitute general partner which is not the Investor Limited Partner (or an affiliate), subject to the prior written consent of Lessor, which shall not be unreasonably withheld (c) the transfer of ownership interests in the Investor Limited Partner, (d) the transfer of the interests or of the Investor Limited Partner to Lessee's general partner or any of its affiliates, (e) any amendment to the Partnership Agreement which does not affect the financial terms of the Partnership Agreement and does not otherwise adversely affect the interest of Lessor in the Land or this Agreement, (f) the pledge by the General Partner to the Investor Limited Partner of the general partner's interest in the Lessee, as security for the performance of all of the general partner's obligations under the Partnership Agreement, and (g) the dilution of the general partner's interest in cash flow and/or capital transaction proceeds in the Lessee in accordance with the terms of the Partnership Agreement.

Section 7.04. Reference to Bonds Ineffective After Bonds Paid. Upon payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture) and all fees and charges of the Trustee and Administration Expenses have all been paid by the Lessee, subject to the provisions of Article IX hereof, all references in this Agreement to the Bonds and the Trustee shall be ineffective, and neither the Trustee nor the holders of any of the Bonds shall thereafter have any rights hereunder, saving and excepting those that shall have theretofore vested.

Section 7.05. Payment for Extraordinary Services. If, upon or after the occurrence of any default hereunder that remains uncured past the time provided for cure herein, the Issuer or the Trustee shall employ attorneys or incur other fees or expenses for the enforcement of performance or observance of any obligation or agreement on the part of the Lessee contained herein, the Lessee will within 10 days of receiving written demand therefor pay or reimburse the Issuer or the Trustee, as the case may be, for the reasonable fees and expenses of such attorneys and such other expenses so incurred.

Section 7.06. Damage, Destruction or Condemnation. If the Project shall be damaged or destroyed or is taken by condemnation (in whole or in part) at any time, the Lessee shall, subject to the terms of the Mortgage Loan Documents and the Financing Documents, reconstruct the Project to its condition prior to such loss or damage.

Section 7.07. Taxes, Assessments and Other Charges. The Lessee shall promptly pay and discharge: all taxes, assessments, fees, and other government charges or levies or imposed upon it or upon any of its properties, income or profits, before the same shall become delinquent;

all lawful claims of materialmen, mechanics, carriers, warehousemen, landlords and other similar Persons for labor, materials, supplies and rentals, which if unpaid might by law become a lien upon its properties; any indebtedness heretofore or hereafter incurred by it when due, and discharge, perform and observe covenants, provisions and conditions to be discharged, performed and observed by it in connection therewith, or in connection with any agreement or other instrument relating thereto or in connection with any lien existing at any time upon any of its properties; provided, however, that the Lessee shall not be required to pay any of the foregoing if (a) the amount, applicability or validity thereof shall currently be contested in good faith by appropriate proceedings, (b) the Lessee shall have set aside on its books adequate reserves with respect thereto and (c) the title of the Lessee to, and its right to use, its properties is not materially and adversely affected thereby. The Lessee hereby agrees that, in the event it fails to pay or cause to be paid taxes, assessments, fees and other government charges or levies or the premium on any required insurance and such failure constitutes a default under the Mortgage Loan Documents or the Financing Documents, the Trustee, the Construction Lender or the Permanent Lender may make such payment, but is not obligated to do so, and the party making such payment shall be reimbursed by the Lessee therefor with interest on the amount so advanced at a rate of interests per annum equal to the Pass Through Rate plus 3.0%.

Section 7.08. Project Insurance. The Lessee shall at all times maintain, or cause to be maintained, insurance of such types and in such amounts as required by the Mortgage Loan Documents and the Financing Documents.

ARTICLE VIII EVENTS OF DEFAULT AND REMEDIES

Section 8.01. Events of Default Defined. Any of the following shall be an “Event of Default” under this Agreement:

(a) failure by the Lessee to pay the Rent required to be paid under Section 5.01 hereof within 30 days after written notice given to Lessee by Issuer;

(b) failure by the Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subsection (a) above, for a period of 30 days after written notice (or, if applicable, any shorter period specified), specifying such failure and requesting that it be remedied, given to the Lessee by the Issuer or the Trustee; provided, however, that, if such default cannot with due diligence be corrected within the applicable period, it shall not constitute an event of default if corrective action is instituted within the applicable period and diligently pursued until the default is corrected;

(c) the dissolution or liquidation of the Lessee or the filing by the Lessee of a voluntary petition in bankruptcy, or failure by the Lessee promptly to lift any execution, garnishment or attachment of such consequences as will impair its ability to carry on its operations at the Project, or the filing by creditors of the Lessee of an involuntary petition in bankruptcy, or the entering of an order for relief of the Lessee or an assignment by the Lessee for the benefit of its creditors, or the entry by the Lessee into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a

petition applicable to the Lessee in any proceeding for its reorganization, arrangement or debt readjustment, instituted under any present federal bankruptcy act or under any similar state or federal act which may hereafter be enacted; provided, however, the term “dissolution or liquidation of the Lessee,” as used in this subsection, shall not be construed to include the cessation of the existence of the Lessee resulting either from a merger or consolidation of the Lessee into or with another domestic entity or a dissolution or liquidation of the Lessee following a transfer of all or substantially all of its assets under the conditions permitting such actions contained in Section 6.05 hereof (or as otherwise permitted under the Financing Documents and the Mortgage Loan Documents);

(d) action taken or threatened by a governmental authority which would prevent or permanently enjoin the use or occupancy of the Project for its intended purpose;

(e) failure, refusal or neglect of the Lessee to obtain or keep in full force and effect any permit or approval necessary for the Project or the use or occupancy of the Project for its intended purpose;

(f) any representation or warranty made by the Lessee hereunder shall prove to have been incorrect in any material respect on, or as of, the date made;

(g) there occurs an “Event of Default” as defined in Section 8.01 of the Indenture or Section 8.01 of the Financing Agreement; or

(h) refusal to permit the Issuer, the Construction Lender, the Permanent Lender, the Trustee, or any of their representatives or any construction consultant to enter upon the premises at all reasonable times (but subject to the rights of tenants), and after notice, to inspect the Project, the construction thereof and all materials, fixtures and articles used or to be used and to examine all detailed plans, shop drawings and specifications which relate to the Project, and/or failure to furnish to the Issuer, the Construction Lender, the Permanent Lender, or any of their representatives or any construction consultant copies of such plans, drawings and specifications within a reasonable period of time after request;

(i) execution by the Lessee of any security instrument other than the Mortgage or Project leases covering any materials, fixtures, furnishings or equipment intended to be incorporated or placed in the Project, or the filing of a financing statement or publishing notice of any such security instrument, or failure to purchase any of such materials, fixtures, furnishings or equipment so that the ownership thereof will vest unconditionally in the Lessee free from encumbrances on delivery at the premises, except as permitted under the Mortgage Loan Documents and the Financing Documents;

(j) the liquidation, termination or dissolution of the Lessee or the Lessee’s general partner (excluding failures to make ministerial filings which are cured within 60 days after Lessee’s receipt of notice thereof and with respect to the general partner, a permitted cure shall include the removal and replacement of the general partner as permitted herein);

(k) any default or event of default occurs under any Financing Document other than this Agreement; or

(l) a transfer of this Agreement or any interest therein, including ownership interests in the Lessee, other than those permitted pursuant to Section 7.03 hereof.

Notwithstanding the foregoing, if by reason of “force majeure” the Lessee is unable in whole or in part to carry out its agreements on its part herein contained, other than the obligations on the part of the Lessee contained in Article V or Section 6.08, 6.12 or 8.04 hereof, the Lessee shall not be deemed in default during the continuance of such inability. The term “force majeure” as used herein shall mean, without limitation, the following: acts of God, strikes, lockouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States or of the State or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquake; fire; hurricanes; tornadoes; storms; floods; washouts; droughts; arrests; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Lessee. The Lessee agrees, however, to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its agreements, provided that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the Lessee, and the Lessee shall not be required to make settlement of strikes, lockouts or other industrial disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the Lessee, unfavorable to the Lessee. The Lessee agrees that force majeure shall not relieve it of the obligation to pay rent under Section 5.01 hereof when the same is due and payable; nor shall it relieve the Lessee of and from performance of other obligations set forth in the Articles and Sections otherwise enumerated in this paragraph.

Section 8.02. Remedies on Default. Whenever any Event of Default has occurred and is continuing, any one or more of the following remedial steps may be taken:

(a) If acceleration of the principal amount of the Bonds has been declared pursuant to Section 8.01(d) of the Indenture, the Trustee shall declare all Rent payable for the remainder of the Lease Term to be immediately due and payable, whereupon the same shall become immediately due and payable.

(b) Subject to the provisions of the Mortgage Loan Documents and the Financing Documents, the Trustee may re-enter and take possession of the Project without terminating this Agreement, and sublease the Project for the account of the Lessee, holding the Lessee liable for the difference in the rent and other amounts payable by any Lessee in such subleasing and the rents and other amounts payable by the Lessee hereunder.

(c) The Trustee may terminate the Lease Term, exclude the Lessee from possession of the Project, which will not relieve the Lessee of its liabilities and obligations under this Agreement, and the Lessee shall remain liable for all damages resulting from its default regardless of such termination.

(d) If, during the time that any of the Bonds are outstanding, the Lessee shall default in the payment of Rent, the Trustee may cause the books and records of the Lessee to be examined by an independent certified public accountant retained by the Trustee. For such purpose, the independent certified public accountant shall have access, during normal business hours, to such books and records and may make copies of any thereof. Such independent certified public accountant shall treat as confidential and not disclose to the Trustee any information not relevant to the subject matter of his specific inquiry.

(e) The Issuer may take whatever action at law or in equity may appear necessary or desirable to collect the Rent and any other amounts payable by the Lessee hereunder, then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Lessee under this Agreement.

Provided, notwithstanding any provision in this Agreement to the contrary, (i) Issuer shall have no right, other than as set forth in Article IX, to terminate or cancel this Agreement or Lessee's leasehold estate, or to otherwise interfere or interrupt the right of Lessee's to exclusively use and occupy the Project, and (ii) except with respect to the rights and obligations of Lessor and Issuer under Sections 6.04, 6.08, 6.12, 7.05, 8.04 and Article IX, the covenants and obligations of the Lessor under this Agreement shall terminate and they shall not be the basis for an Event of Default following repayment in full of the Bonds. The provisions of this paragraph are not intended to affect the rights and obligations of the Lessee and Issuer under the Indenture and Regulatory Agreement, both of which shall remain in full force and effect in accordance with their terms.

Any amounts collected pursuant to action taken under this Section shall be applied in accordance with the provisions of the Financing Documents or, if the Bonds have been fully paid (or provision for payment thereof has been made in accordance with the provisions of the Indenture), to the Issuer unless all Additional Payments shall have been paid, in which case such amounts shall be paid to the Lessee.

Section 8.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Issuer or the Trustee or either is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. Such rights and remedies given the Issuer hereunder shall extend to the Trustee and the holders of the Bonds, subject to the Indenture.

Section 8.04. Agreement To Pay Attorneys' Fees and Expenses. In the event the Lessee defaults under any of the provisions of this Agreement, and the Issuer or the Trustee employs attorneys or incurs other expenses for the collection of rent or the enforcement of performance or observance of any obligation or agreement on the part of the Lessee herein contained, the Lessee shall on demand thereof pay to the Issuer or the Trustee, as the case may

be, the reasonable fees and expenses of such attorneys and such other reasonable expenses so incurred by the Issuer or the Trustee.

Section 8.05. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement is breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. In view of the assignment of the Issuer's rights under this Agreement to the Trustee pursuant to the Indenture, the Issuer shall have no power to waive any Event of Default hereunder without the consent of the Trustee. Notwithstanding the foregoing, a waiver of an Event of Default under the Indenture or a rescission of a declaration of acceleration of the Bonds and a rescission and annulment of its consequences shall constitute a waiver of the corresponding Event of Default under this Agreement and a rescission and annulment of its consequences, provided that no such waiver or rescission shall extend to or affect any subsequent or other Event of Default hereunder or impair any right resulting therefrom.

Section 8.06. Notice of Default. The Lessee or the Issuer shall notify the Trustee immediately if it becomes aware of the occurrence of any Event of Default or of any fact, condition or event which, with the giving of notice or passage of time or both, would become an Event of Default.

Section 8.07. Investor Partner Right to Cure. In addition to any other cure provisions contained in this Agreement, the Investor Limited Partner shall have the right to cure a failure to pay Rent and other payments required to be paid under section 5.01 within the applicable cure period of Lessee (if any) and all other defaults within thirty (30) days, after receipt of written notice thereof. If a non-monetary default is not reasonably capable of being cured within thirty (30) days, the Investor Limited Partner shall have such additional time as reasonably necessary to cure such non-monetary default, provided that the Investor Limited Partner initiates steps to cure the non-monetary default within thirty (30) days of notice and diligently proceed to cure the default. The notice to the Investor Limited Partner may be concurrent with any and all other notices given under this Agreement. All notices required or desired to be given to the Investor Limited Partner under this Agreement shall be in writing (sent to the address set forth below or such other addresses designated in a written notice given to Issuer) and given in the manner provided in this Agreement. Notwithstanding anything to the contrary in the Financing Documents, upon the occurrence of an Event of Default arising out of: (i) the bankruptcy, insolvency or assignment of assets for the benefit of creditors by the general partner of Lessee, or (ii) the withdrawal from Lessee of its general partner, or the death or incapacity of a general partner in Lessee, or (iii) a breach of the representations concerning such general partner of Lessee, the Investor Limited Partner shall have the option, but not the obligation, within 45 days of receipt of written notice of such Event of Default, to cure any such default by appointing a substitute or additional general partner of Lessee that is an affiliate of the Investor Limited Partner to act as the general partner of Lessee.

ARTICLE IX RECONVEYANCE OF PROJECT

Section 9.01. Mandatory Purchase at Request of Issuer Lessee Purchase Option. At any time following (a) the expiration or other termination of the Lease Term and payment in full of all obligations under this Agreement, including payment in full of all Rent payments and Additional Payments hereunder, and (b) payment in full of the Bonds, subject to applicable restrictions of Fannie Mae and other mortgage lenders, Lessee may deliver to Issuer written notice (the “Option Notice”) requiring Issuer to sell all of its right, title and interest in the Project to Lessee pursuant to the terms set forth in Article IX. In the event Lessee exercises the above-described option, the purchase and sale shall close no later than sixty (60) days following Issuer’s receipt of the Option Notice. At the closing for any conveyance pursuant to this Section, the Issuer will, upon receipt of the purchase price described in Section 9.02 below, deliver to the Lessee documents releasing and canceling this Agreement and a special warranty deed conveying to the Lessee all of the Issuer’s right, title and interest in and to the Project, as such property then exists, and otherwise without representation or warranty of any kind.

Section 9.02. Purchase Price for Reconveyance. The purchase price payable by the Lessee under this Article IX shall be the sum of the following:

- (a) an amount of money equal to any Rent and Additional Payments then due and unpaid hereunder (if any); plus
- (b) the sum of one dollar.

ARTICLE X MISCELLANEOUS

Section 10.01. Notices. All notices, approvals, requests, certificates or other communications hereunder shall be given to all parties identified below, shall be in writing (except as otherwise expressly provided herein) and shall be sufficiently given and shall be deemed given when delivered by hand delivery or Electronic Means or served by depositing the same with the United States Postal Service, or any official successor thereto, designated as Registered or Certified Mail, Return Receipt Requested, bearing adequate postage or delivery by reputable private courier such as Federal Express, Airborne, DHL or similar overnight delivery service, and addressed as hereinafter provided. Notices shall be deemed given when mailed as provided herein. All parties identified below may, by written notice given by each to the others, designate any address or addresses to which notices, certificates or other communications to them shall be sent when required as contemplated by this Agreement. Any notice, certificate, report, financial statement or other communication properly provided by legal counsel on behalf of any party hereunder shall be deemed properly provided by the party represented by such counsel. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

If to the Issuer: Bernalillo County, New Mexico
10th Floor
One Civic Plaza NW
Albuquerque, NM 87102
Telephone: (505) 468-7000
Facsimile: (505) 468-9813
Attention: County Manager

with a copy to: Sherman & Howard L.L.C.
500 Marquette Avenue NW, Suite 1203
Albuquerque, NM 87102
Telephone: (505) 814-6958
Attn: Jill K. Sweeney and T. Parker Schenken

If to the Lessee: Ceja Vista Senior Apartments LLLP
2164 SW Park Place
Portland, OR 97205
Attention: Walter O. ("Skip") Grodahl
Telephone: (503) 944-6500

With a copy to: Dan E. Pick
Laflin, Pick & Heer, PA
P.O. Box 3260
Albuquerque, NM 87190
(Street Address: 8500 Menaul Blvd. NE, Ste B-262, 87112)
Telephone: (505) 883-0679

If to the Trustee: Zions Bancorporation, National Association
1001 17th Street, Suite 850
Denver CO 80202
Attention: Vladimir Muñoz, Corporate Trust Department
Telephone: (720) 947-7417
Email: vladimir.munoz@zionsbank.com
Copy: denvercorporatetrust@zionsbancorp.com

Telephone: (720) 947-7417 Any party hereto required to send a notice to the Lessee hereunder shall concurrently send a copy of such notice (by a permitted method other than Electronic Means) to the Investor Limited Partner at:

AHP Housing Fund 213, LLC
1314 Douglas Street, Suite 1400
Omaha, NE 68102-1944
Attention: Legal Notices
Email: notices@berkahp.com

With a copy to: Kutak Rock LLP
1801 California St., Suite 3000
Denver, CO 80202

Attention: Ellen O'Brien
Telephone: (303) 292-7810

Section 10.02. Amendments. This Agreement may be amended only by a written instrument executed by the parties hereto and with the prior written consent of Fannie Mae, and the Trustee (to the extent such amendment affects the rights or duties of the Trustee).

Section 10.03. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Lessee, the Issuer and their respective successors and assigns. Insofar as this Agreement provides of the rights of the Trustee, this Agreement shall also inure to the benefit of the Trustee.

Section 10.04. Severability.

(a) If any provision in this Agreement shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all cases because it conflicts with any provisions of any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

(b) The invalidity of any one or more phrases, sentences, clauses or paragraphs contained in this Agreement shall not affect the remaining portions of this Agreement or any part thereof.

Section 10.05. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.06. Required Approvals. Consents and approvals required by this Agreement to be obtained from the Issuer, the Lessee or the Trustee shall be in writing and shall not be unreasonably withheld.

Section 10.07. No Waiver; Consents. No alleged waiver by the Trustee, the Lessee or the Issuer will be effective unless in writing, and no waiver will be construed as a continuing waiver. No waiver may be implied from any delay or failure by the Trustee, the Lessee or the Issuer to take action on account of any default of the Lessee or to exercise any right or remedy against the Lessee or any security. Consent by the Trustee, the Lessee or the Issuer to any act or omission by the Lessee may not be construed as a consent to any other or subsequent act or omission or as a waiver of the requirement for consent of the Issuer or the Trustee to be obtained in any future or other instance. All Issuer and Trustee rights and remedies are cumulative.

Section 10.08. No Third Parties Benefited. This Agreement is made and entered into for the sole protection and benefit of the Issuer, the Lessee and the Trustee and, as provided in Sections 6.08 and 6.12 hereof, the Indemnified Parties. No trust fund is created by this Agreement, and no other person or entities have any right of action under this Agreement or any right to the funds held under the Indenture.

Section 10.09. Attorneys' Fees. Notwithstanding Section 8.04 of this Agreement, in any lawsuit, reference or arbitration arising out of or relating to this Agreement, including any alleged tort action, regardless of which party commences the action, reference or the prevailing party will be entitled to recover from each other party such sums as the court, referee or arbitrator adjudges to be reasonable attorneys' fees in the action, reference or proceeding, in addition to costs and expenses otherwise allowed by law. Any attorneys' fees incurred by either party in enforcing a judgment in this favor under this Agreement will be recoverable separately from and in addition to any other amount included in the judgment, and the attorneys' fees obligation is intended to be severable from the other provisions of this Agreement and to survive and not be merged into any judgment. In all other situations, including any bankruptcy or other voluntary or involuntary proceeding, in or out of court, for the adjustment of debtor-creditor relationships, the Lessee agrees to pay all of the Trustee's and the Issuer's costs and expenses, including attorneys' fees and expenses, that may be incurred in any effort to collect or enforce this Agreement. Attorneys' fees include the allocated costs for services of in-house counsel.

Section 10.10. Applicable Law. This Agreement is governed by the laws of the State, without regard to the choice of law rules of the State.

Section 10.11. Heirs, Successors and Assigns; Participation. The terms of this Agreement will bind and benefit the heirs, legal representatives, successors and assigns of the parties; provided, however, that the Lessee may not assign this Agreement or assign or delegate any of its rights or obligations, without the prior written consent of the Issuer in each instance.

Section 10.12. Limitation of Liability. The parties to the Financing Documents acknowledge and agree that the Investor Limited Partner will not have liability to the other parties or to any third party as a general partner of the Lessee resulting from any action taken by the Investor Limited Partner pursuant to the Partnership Agreement, unless and until the Investor Limited Partner is admitted to the Lessee entity as a general partner. Issuer agrees that it will not, in connection with any demand, claim or legal action concerning the Financing Documents, claim that the Investor Limited Partner was liable as a general partner solely as a result of the Investor Limited Partner allegedly participating in the control of Lessee by reason of any action taken by the Investor Limited Partner pursuant to its powers as an Investor Limited Partner under the Partnership Agreement.

Section 10.13. Limitation on Personal Liability. Notwithstanding anything to the contrary set forth herein and in any other document delivered in connection herewith, it is hereby expressly agreed and understood that the obligations of Lessee hereunder and under every document executed and delivered in connection herewith, are non-recourse. Neither the Lessee nor any member, partner, officer, director or employee of the Lessee (each, a "Related Party") shall have any personal liability for the Rent. In furtherance thereof, the Issuer and the Trustee shall be entitled to look solely and exclusively to the Project and any income derived therefrom for the payment and other obligations of Lessee hereunder, and all evidences of indebtedness secured hereby, and shall not seek a personal judgment against any member, partner, officer, director, member or stockholder of the Lessee, provided that nothing herein shall relieve any such Related Party from liability for any of the following:

- (a) rent collected for more than one month in advance and received by a Related Party and not applied to the reasonable operating requirements of the Project;
- (b) misappropriation or misapplication by a Related Party of insurance or eminent domain proceeds;
- (c) fraud or material misrepresentation by a Related Party against the Issuer or the Holder;
- (d) conversion by a Related Party of all or a material portion of the Project; or
- (e) gross negligence, willful misconduct or intentional torts of a Related Party relating to the Project or the revenues therefrom.

Section 10.14. Fannie Mae-Required Provisions.

(a) **Non-Merger.** The Lessee's leasehold estate under this Agreement shall not merge into the Lessor's fee estate, and this Agreement shall not terminate as to the Lender (for purposes of this Section 10.14, the term "Lender" shall mean and include the Permanent Lender, any other institutional lender with a security interest in the leasehold estate secured by a mortgage lien, Fannie Mae and/or Freddie Mac, as applicable), because of conveyance of the Lessee's leasehold interest to the Lessor or conveyance of the Lessor's interest to the Lessee.

(b) **Assignment.** The Lessee's leasehold estate and any option on the part of the Lessee to extend or purchase the fee interest in the Land as provided in this Agreement (if any) are assignable or transferable without the consent of the Lessor, or, if assignment or transfer is otherwise limited by the terms of this Agreement or the other Related Documents, this Agreement permits assignment or transfer to the Lender and permits assignment or transfer by the Lender (after a foreclosure or any other exercise by Lender of rights and remedies, whether under the Mortgage Loan or under applicable law, as a result of which Lender or its designee or nominee becomes owner of the leasehold estate, or delivery of a deed or other conveyance of Lessee's interest in lieu of any of the foregoing) to a purchaser at a foreclosure sale or otherwise (other than the Lender) without the Lessor's consent.

(c) **Leasehold Mortgage Authorized.** Lessor and Lessee understand and acknowledge that the Lessee's interest under this Agreement will be the subject of a leasehold mortgage in favor of the Lender (the Mortgage), and the liens and security interests effected by such leasehold mortgage are hereby authorized.

(d) **Notice of Default and Lender's Right to Cure.** The Lessor shall provide notice of any default hereunder to the Lender (for purposes of this clause (d) being the Permanent Lender) and a reasonable time (in addition to the time given to the Lessee) and opportunity for the Lender to cure any default under this Agreement that may allow the Lessor to terminate the leasehold, including, in the case of a default that can be cured by the Lender only by obtaining possession, a sufficient period of time for the Lender to obtain possession.

(e) Limitations on Lessor's Right to Terminate; Provisions for New Lease. The Lessor may not terminate this Agreement based on defaults personal to the Borrower (such as a voluntary bankruptcy filing) or based on defaults that the Lender is not able to cure; or, if this Agreement contains any obligations or requirements that the Lender could not cure, such as the Lessee's bankruptcy, condemnation or casualty loss, or a change in management, Lessor agrees to enter into a new lease with the Lender on the same terms as this Agreement.

(f) Casualty or Condemnation. Notwithstanding any provision in Section 7.06 to the contrary, any casualty or condemnation award to which the Lessee is entitled may be paid to the Lender. This payment must not be less than the total award minus the value of the remainder interest in the Land considered as unimproved. In the event of a partial taking, the Lessee may rebuild and restore the Buildings unless the Lender consents to distribution of the proceeds. In that event, the proceeds must be applied first toward reduction of the Mortgage Loan. This Agreement does not prohibit Lender from participating in adjustment of losses and settlement. In the event of a casualty or condemnation, this Agreement cannot be terminated and the insurance proceeds or condemnation award may be retained by the Lessee and applied to the Mortgage Loan as repayment of the indebtedness or to restore the improvements; provided, however, that in the event of a full casualty or taking Lessor may be entitled to the portion of any casualty proceeds or condemnation award which represents the unimproved value of the fee estate as the Lessor's interest.

(g) Foreclosure. The Lender may foreclose without Lessor consent and may acquire the Issuer's rights in and to this Agreement in its own name or in the name of an assignee or nominee upon foreclosure or any other exercise by Lender of rights and remedies (whether under the Mortgage Loan or under applicable law), as a result of which Lender (or its designee or nominee) or a third party purchaser becomes owner of the leasehold estate, or delivery of a deed or other conveyance of Lessee's interest in lieu of any of the foregoing.

(h) Rent Escalation. This Agreement does not contain an escalator clause. In particular, this Agreement does not contain rent escalation provisions based on changes in the cost of living.

(i) Purchase or Extension Options. If applicable, the Lessor shall endeavor to give the Lender notice of the Lessee's failure to exercise any required Lease renewal, extension or purchase options (provided that the Lessor shall have no liability for the failure to provide such notice) and, and the Lender may exercise any such Lease renewal, extension or purchase rights notwithstanding expiration of such rights following the Lessee's failure to do so (and, in the event any such purchase option is exercised, the Mortgage Loan will become a first lien on the fee estate).

(j) Personal Liability. The Lender shall have no personal liability under this Agreement until it has record title to the leasehold estate. If Lender obtains record title to the leasehold estate, such liability of the Lender and its assigns to the Lessor is limited to the value of their respective interests in the leasehold estate.

(k) Use Restrictions. This Agreement does not contain any unreasonable restriction on the use of the real property and permits the Lessee to use the Project for multifamily housing and any other underwritten use.

(l) Subletting. The Lessee may sublet the premises to individual residents without unreasonable restrictions. This Agreement is not a sublease.

(m) Improvements. The Lessee may alter, improve, and modify the Improvements without the Lessor's consent.

(n) Estoppel Certificate. The Lessor shall provide "estoppel" certificates when requested by a lender. The Estoppel Certificate must be substantially in the form attached as Exhibit A to Form 6206.

(o) No Cross-Default to Security Instrument. This Agreement does not contain a provision whereby a default under the Security Instrument is considered a default under this Agreement.

(p) Leasehold Title Insurance Policy. An ALTA Leasehold Loan Policy or an ALTA Loan Policy with a CLTA 107.5 endorsement must be obtained by the Lessee. The policy must: (a) insure the Lessee's interest and the Lessee's option (if any) to purchase the fee interest in the related land; (b) insure that this Agreement is not subordinate to any lien or encumbrance other than the mortgage loan, and (c) otherwise satisfy other Fannie Mae title policy requirements. Lessor shall have no responsibility for the delivery of or contents of such policy.

(q) Mortgages on Lessor's Fee Simple Interest. Any existing mortgage on the fee estate of the Lessor must be subordinate to the leasehold estate of the Lessee under this Agreement. The Lessor may not mortgage the fee estate at a later date unless there is an express subordination of the Lessor's fee mortgage to the Lessee's interest under this Agreement.

(r) Subordination to Fee Estate. The Lessee may not subordinate its leasehold estate to a subsequent mortgage of the fee obtained by the Lessor.

(s) No Amendments without Consent of Lender. In addition to any other limitations on amendment provided herein or in the Related Documents, this Agreement may not be amended, modified, cancelled or terminated without the consent of the Lender as long as the Mortgage Loan is outstanding.

(t) No Voluntary Surrender or Termination. The Lessor agrees not to accept a voluntary surrender or termination of this Agreement (and the Lessee is not permitted to voluntarily surrender or terminate this Agreement) at any time when the leasehold estate is encumbered by the Mortgage Loan.

(u) Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall limit or restrict Lessor's right under this Agreement to terminate this Agreement and cause the Project to be subjected to property taxes under New Mexico law

if the Project is no longer used as a “housing project” under the Act; provided, however, that in connection with any such termination of the Agreement, Lessor shall convey the Project to Lessee (or, if Lessee is not then the tenant under this Agreement, to the then-tenant under this Agreement) by special warranty deed.

Section 10.15. Fannie Mae Provisions Control. In the event of a conflict between the provisions of Section 10.14 of this Agreement (the “Fannie Mae Provisions”) and any other provision in this Agreement, the Fannie Mae Provisions shall control.

(Reminder of page intentionally left blank)

IN WITNESS WHEREOF, the Issuer and the Lessee have caused this Agreement to be executed in their respective names and their respective seals (as applicable) to be hereunto affixed by their duly authorized officers, all as of the date first above written.

BERNALILLO COUNTY, NEW MEXICO

By

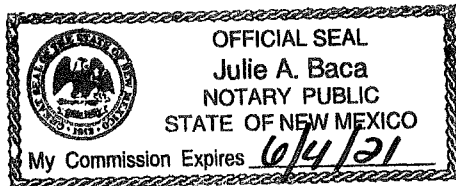
Lonnie C. Talbert
Chair, Board of County Commissioners

STATE OF NEW MEXICO)

) SS

COUNTY OF BERNALILLO)

The foregoing instrument was acknowledged before me this 13 day of November, 2020, by Lonnie C. Talbert, the Chair of the Board of County Commissioners for Bernalillo County, New Mexico.



Julie A. Baca
Notary Public for
My commission expires: June 4, 2021


CEJA VISTA SENIOR APARTMENTS, LLLP, a New Mexico limited liability limited partnership,

By: **DBG CEJA VISTA SENIOR INVESTORS LLC**, its General Partner,

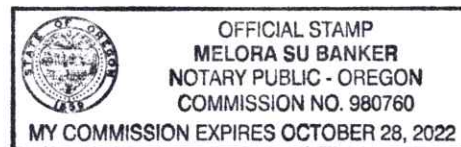
By: 
Eric Grodahl, Authorized Member

STATE OF Oregon)
) ss.
COUNTY Multnomah)

This 14 day of December, 2020, personally came before me, Eric Grodahl, who being by me duly sworn, says that he is the Authorized Member of DBG Ceja Vista Senior Investors LLC, the General Partner of Ceja Vista Senior Apartments LLLP, a New Mexico limited liability limited partnership, and that the foregoing instrument was signed by him by authority duly given and the said undersigned acknowledged the said writing to be his act and deed, acting in the signed capacity.


Notary Public

My Commission expires: Oct. 28, 2022



[Lessee Signature Page to Ceja Vista Senior Apartments Project Lease Agreement]




EXHIBIT A

PARCEL I:

Tract RR-3-A-1 of the Plat for WESTLAND SOUTH, Tracts RR-3-A-1 and RR-3-A-2, within the Town of Atrisco Grant, projected Section 9, Township 9 North, Range 2 East, NMPM, City of Albuquerque, Bernalillo County, New Mexico, as the same is shown and designated on said Plat filed in the office of the County Clerk of Bernalillo County, New Mexico on October 11, 2018 in Map Book 2018C, folio 131.

PARCEL II:

Non-exclusive rights of ingress and egress over driveways, entrance ways, parking areas and walkways across Tract RR-3-A-2 as set forth on the Declaration of Reciprocal Access and Drainage Easements recorded October 11, 2018 as Document No. 2018089109, records of Bernalillo County, New Mexico.

EXHIBIT B
SCHEDULE OF FURNITURE AND FIXTURES

None

EXHIBIT C
THE PROJECT

Project Site

Location:	5.4 Acre Site Located South of Dennis Chavez Boulevard between 98th and 118 th Streets SW, in Albuquerque, New Mexico
Property Type:	Multifamily Senior Affordable
Number of Units:	156
Average Unit Size:	One-bedroom Units: 581 sf Two-bedroom Units: 876 sf
Gross Enclosed Area:	Approximately 120,000 sf
Number of Buildings:	2 Residential Buildings and 1 Community Building
Number of Stories:	4-Story (Residential)
Parking:	
Amenities:	
	Unit Amenities:
	Site Amenities:
Managing Partner:	