

ASSIGNMENT OF LOAN DOCUMENTS

KNOW ALL PERSONS BY THESE PRESENTS:

THE CITY OF SAN JOSÉ, a municipal corporation and charter city of the State of California (“**Assignor**”), pursuant to that certain Funding Loan Agreement related to \$[37,000,000] City of San José Multifamily Housing Revenue Note (El Rancho Verde Apartments) Series 2018B and dated as of the date hereof (“**Funding Loan Agreement**”), by and among Assignor, U.S. Bank National Association, a national banking association, as Fiscal Agent, and **CITIBANK, N.A.**, a national banking association (“**Assignee**”), for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does by these presents assign to Assignee, without recourse, all of Assignor’s right, title and interest in and to, subject to the Unassigned Rights (as defined in the Funding Loan Agreement), the instruments (“**Assigned Instruments**”) described on Schedule 1 attached hereto.

TOGETHER with the Note described in the Assigned Instruments, and the money due and to become due thereon, with the interest thereon, TO HAVE AND TO HOLD the same unto the said Assignee forever, subject only to all the provisions contained therein, AND the said Assignor hereby constitutes and appoints the Assignee as the Assignor’s true and lawful attorney, irrevocable in law or in equity, in the Assignor’s name, place and stead, but at Assignee’s cost and expense, to have, use and take all lawful ways and means for the recovery of all of the said money and interest; and in case of payment, to discharge the same as fully as the Assignor might or could if these presents were not made.

Overriding Limitations. In no event shall Assignor:

(i) prosecute its action to a lien on the Project, as defined in that certain Borrower Loan Agreement dated as of the date hereof by and between ERV Community Partners, LP, a California limited partnership (“**Borrower**”), and Assignor (the “**Borrower Loan Agreement**”); or

(ii) take any action which may have the effect, directly or indirectly, of impairing the ability of Borrower to timely pay the principal of, interest on, or other amounts due under, the Borrower Loan or of causing Borrower to file a petition seeking reorganization, arrangement, adjustment or composition of or in respect of Borrower under any applicable liquidation, insolvency, bankruptcy, rehabilitation, composition, reorganization, conservation or other similar law in effect now or in the future, provided that this limitation shall not constrain the Assignor in the exercise of its governmental powers or in the enforcement of its recorded affordability restriction; or

(iii) interfere with the exercise by Assignee or Servicer of any of their rights under the Borrower Loan Documents upon the occurrence of an Event of Default by Borrower under the Borrower Loan Documents; or

(iv) take any action to accelerate or otherwise enforce payment or seek other remedies with respect to the Borrower Loan.

Definitions. All capitalized terms that are used and are not defined herein shall have the respective meanings ascribed to them in the Borrower Loan Agreement. In all references herein to any parties, persons, entities or corporations the use of any particular gender on the plural or singular number is intended to include the appropriate gender or number as the text of the within instrument may require.

Dated as of the 1st day of August, 2018 (the foregoing date is for reference purposes only and this Assignment shall not be effective until the Closing Date, as defined in the Borrower Loan Agreement).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Assignment of Loan Documents or caused this Assignment of Loan Documents to be duly executed and delivered by its authorized representative as of the date first set forth above.

ASSIGNOR:

THE CITY OF SAN JOSÉ, a municipal corporation
and charter city of the State of California

By: _____

Name:

Title:

**SCHEDULE 1
TO
ASSIGNMENT OF DEED OF TRUST
AND LOAN DOCUMENTS**

ASSIGNEE:

Citibank, N.A.
388 Greenwich Street, 8th Floor
New York, New York 10013

ASSIGNED INSTRUMENTS:

1. Multifamily Note (Variable Rate) by ERV Community Partners, LP, a California limited partnership (“**Borrower**”), to Assignor, dated as of the Closing Date, in the original principal amount of up to \$[37,000,000].