June 14, 2016

Kevin Chin
National Community Renaissance of California
9421 Haven Ave.
Rancho Cucamonga, CA 91730

Subject: COMMITMENT LETTER – Paseo del Oro

Dear Mr. Chin;

I am pleased to inform you that on June 14, 2016, the City of San Marcos acting in its capacity as the Successor Housing Agency (SHA) to the former San Marcos Redevelopment Agency (RDA), approved the future assignment and assumption of up to $3,616,552 in RDA loans currently encumbering the Paseo del Oro property (the Property) by National Community Renaissance of California (the Developer) and/or a new Developer formed limited partnership.

In order to enable the refinance and rehabilitation of the Property, the funds will be made available as a new loan under the following terms:

Loan Amount – Up to $3,616,552 which is the current loan balance of the former RDA loan as of April 30, 2106.

Interest Rate – 3% simple per annum.

Term of Affordability – fifty-seven (57) years from the date that the Assignment and Assumption Agreement and related documents are executed.

Term of the Loan – fifty-seven (57) years from the date that the Assignment and Assumption Agreement and related documents are executed.

Repayment – based on a to-be-determined percentage of residual receipts to be defined in the regulatory agreements.

Collateral – a Deed of Trust secured by the land and improvements.

The new loan will be non-recourse and subject to meeting all City and/or SHA requirements and acceptance of due diligence documentation, including, but not limited to, payment of the customary fees, if applicable.

If you have questions, please contact Harry Williams, Housing Programs Manager, at (760)744-1050 extension 3238.

Sincerely

Jack Griffin
City Manager