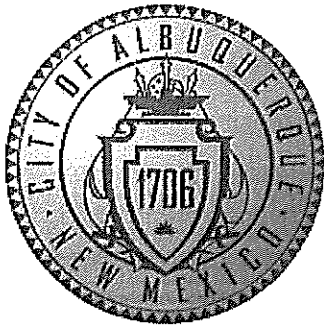


EC-25-360



CITY OF ALBUQUERQUE

Albuquerque, New Mexico

Office of the Mayor

Mayor Timothy M. Keller

INTER-OFFICE MEMORANDUM

March 19, 2025

TO: Brook Bassan, President, City Council

FROM: Timothy M. Keller, Mayor



SUBJECT: Approval of the Second Supplemental Agreement to the Farolito Senior Community Development Agreement with Sol Housing to Utilize ARPA Funds Towards the New Construction of a Senior Rental Housing Project.


This request for approval is for the proposed Second Supplemental Agreement to the *Farolito Senior Community Development Agreement* between the City of Albuquerque and Sol Housing (formerly Greater Albuquerque Housing Partnership), to provide \$3,000,000.00 of American Rescue Plan Act (ARPA), Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) from U.S. Department of Treasury (under RFP-2024-600—RG). This ARPA funding will be used as gap financing towards the new construction of the Farolito Senior Community, located at 10501 Central Avenue NE. This ARPA funding will close the financing gap caused by increasing construction costs experienced by the project and its more than \$27 Million Total Development Cost. This legislation will supplement the \$4,187,152 previously provided in the original development agreement, approved by Council (EC-23-379).


The Project includes the construction of 82 residential units for seniors age 55 and older on land owned by the New Mexico State Land Office, which will be leased by the Development Entity for a minimum term of 60 years. The development will contain seventy-two (72) 1-bedroom and ten (10) 2-bedroom rental housing units, and common space totaling approximately 76,675 heated square feet. Of the 82 units, 13 units shall be for households at or below 80% AMI, 28 units shall be for households at or below 60% of AMI, 16 units shall be for households at or below 50% AMI, and 25 units shall be for households at or below 30% AMI. The Project shall remain an affordable rental housing project, abiding by the High-HOME and Low-HOME rents for the 20-year HOME Affordability Period and will have a concurrent restriction for the ARPA funding.

SUBJECT: Approval of the Second Supplemental Agreement to the Farolito Senior Community Development Agreement with Sol Housing to Utilize ARPA Funds Towards the New Construction of a Senior Rental Housing Project.

Approved:

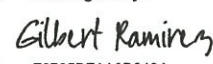
Approved as to Legal Form:

 3/31/25
Samantha Sengel, EdD Date
Chief Administrative Officer

DocuSigned by:
 3/27/2025 | 10:45 AM MDT
1A21D96032C74EE...
Lauren Keefe Date
City Attorney

DS
PP

Recommended:

DocuSigned by:
 3/25/2025 | 10:23 AM MDT
F9705DFAA0D2484...
Gilbert Ramirez Date
Director

Cover Analysis

1. What is it?

This request for approval is for the proposed Second Supplemental Agreement to the Farolito Senior Community Development Agreement between the City of Albuquerque and Sol Housing (formerly Greater Albuquerque Housing Partnership).

The Project includes the construction of 82 residential units for seniors age 55 and older on land owned by the New Mexico State Land Office, which will be leased by the Development Entity for a minimum term of 60 years. The development will contain seventy-two (72) 1-bedroom and ten (10) 2-bedroom rental housing units, and common space totaling approximately 76,675 heated square feet. Of the 82 units, 13 units shall be for households at or below 80% AMI, 28 units shall be for households at or below 60% of AMI, 16 units shall be for households at or below 50% AMI, and 25 units shall be for households at or below 30% AMI. The Project shall remain an affordable rental housing project, abiding by the High-HOME and Low-HOME rents for the 20-year HOME Affordability Period and will have a concurrent restriction for this proposed ARPA funding.

2. What will this piece of legislation do?

This legislation will provide \$3,000,000.00 of American Rescue Plan Act (ARPA), Coronavirus State and Local Fiscal Recovery Funds from U.S. Department of Treasury (under RFP-2024-600—RG), to Sol Housing for the Farolito Senior Community project.

3. Why is this project needed?

This ARPA funding will be used as gap financing towards the new construction of the Farolito Senior Community, located at 10501 Central Avenue NE. This ARPA funding will close the gap caused by increasing construction costs experienced by the now \$27 Million development, and will supplement the \$4,187,152 provided in the original development agreement, which was approved by Council (EC-23-379).

4. How much will it cost and what is the funding source?

The Farolito Senior Community development has estimated Total Development Cost of \$27,000,000 of which \$3,000,000 will be from

the American Rescue Plan Act (ARPA), Coronavirus State and Local Fiscal Recovery Funds from U.S. Department of Treasury, through this request.

5. Is there a revenue source associated with this contract? If so, what level of income is projected?

No. The funds are utilized for construction and secured through a City Mortgage, City Promissory Note, and City Restrictive Real Estate Covenants that ensures that the project remains Affordable Housing for at least 20 years. It is necessary that any project revenue be utilized by the project for the long-term, as provided for in the Project's Pro-Forma.

6. What will happen if the project is not approved?

The funds proposed as part of this legislation account for approximately 11% of the project's total costs. Not approving the \$3,000,000 of ARPA Funds in this request will likely leave the developer with insufficient funds to complete the project.

7. Is this service already provided by another entity?

No. The original award of HUD HOME funds for the new construction of senior housing units was procured through a competitive procurement process (RFP-2023-352-FCS-RG), addressing the need for affordable housing. This subsequent award of ARPA Treasury funds to the Farolito Senior project was also procured through a competitive procurement process (RFP-2024-600—RG). Therefore, this development cannot be provided by another entity.

FISCAL IMPACT ANALYSIS

TITLE: Approval of the Second Supplemental Agreement to the Farolito Senior Community Development Agreement with Sol Housing to Utilize ARPA Funds Towards the New Construction of a Senior Rental Housing Project.

R: O:
FUND: 305
DEPT: 7345720

- ☒ No measurable fiscal impact is anticipated, i.e., no impact on fund balance over and above existing appropriations.
- ☐ (If Applicable) The estimated fiscal impact (defined as impact over and above existing appropriations) of this legislation is as follows:

	2025	Fiscal Years 2026	2027	Total
Base Salary/Wages				-
Fringe Benefits at				-
Subtotal Personnel	-	-	-	-
Operating Expenses		-		-
Property		-	-	-
Indirect Costs	-	-	-	-
Total Expenses	\$ -	\$ -	\$ -	\$ -
<input checked="" type="checkbox"/> Estimated revenues not affected				
<input type="checkbox"/> Estimated revenue impact				
Revenue from program				0
Amount of Grant		-	-	
City Cash Match				
City Inkind Match				
City IDOH	-	-	-	-
Total Revenue	\$ -	\$ -	\$ -	\$ -

These estimates do not include any adjustment for inflation.

* Range if not easily quantifiable.

Number of Positions created

COMMENTS:

The Project includes the construction of 82 residential units for seniors age 55 and older on land owned by the New Mexico State Land Office, which will be leased by the Development Entity for a minimum term of 60 years. Funding for this project from a state grant previously legislated R-24-44.

COMMENTS ON NON-MONETARY IMPACTS TO COMMUNITY/CITY GOVERNMENT:**PREPARED BY:****APPROVED:**

DocuSigned by:

Anna M. Lujan

3/25/2025 | 8:56 AM MDT

FISCAL ANALYST

DocuSigned by:

Gilbert Ramirez

3/25/2025 | 10:23 AM MDT

DIRECTOR

REVIEWED BY:

Signed by:

Simon Miller

3/26/2025 | 4:55 PM MDT

EXECUTIVE BUDGET ANALYST

DocuSigned by:

Donna Sandoval

3/27/2025 | 8:24 AM MDT

BUDGET OFFICER

Signed by:

Christine Barner

3/27/2025 | 8:53 AM MDT

CITY ECONOMIST

SECOND SUPPLEMENTAL AGREEMENT TO DEVELOPMENT AGREEMENT (Farolito Senior Community)

THIS SECOND SUPPLEMENTAL AGREEMENT TO DEVELOPMENT AGREEMENT (the "Second Supplemental") is made and entered into upon the final date of signature below, by and between the **CITY OF ALBUQUERQUE**, Albuquerque, New Mexico, a New Mexico municipal corporation (the "City"), and **SOL HOUSING, formerly known as The GREATER ALBUQUERQUE HOUSING PARTNERSHIP (GAHP)**, a New Mexico nonprofit corporation (the "Developer"). Sometimes, the City and the Developer are referred to herein as the "Parties."

RECITALS

WHEREAS, the Parties previously entered into that certain Development Agreement dated December 19, 2023 (the "Development Agreement") in connection with the development of the project located at 10501 Central Ave. NE, Albuquerque, New Mexico (the "Project"); and

WHEREAS, the Parties subsequently entered into a First Supplement to Amend Development Agreement dated September 27, 2024 (the "First Supplemental Agreement") to modify the terms of the Development Agreement to extend the time for closing and completion of construction, make some revisions to accommodate the limited partner, and update references from the GAHP to Sol Housing, as necessary for the Project's Financial Closing; and

WHEREAS, following the execution of the Development Agreement, the name of the Developer changed from The Greater Albuquerque Housing Partnership, to Sol Housing; and

WHEREAS, Sol Housing, formerly known as the GAHP, retains the same tax identification number, has the same Board of Directors, the same Articles of Incorporation (aside from the name change), and retains the same mission of developing equitable, affordable housing, and has simply undergone a name change (see supporting documents attached as Appendix A, including the Articles of Amendment and the IRS Letter 4168); and

WHEREAS, the Developer assigned its rights and responsibilities under the Development Agreement and the First Supplemental Agreement to Farolito Apartments Limited Partnership, LLLP (the "Ownership Entity") and the Ownership Entity assumed such rights and responsibilities.

WHEREAS, the City awarded the Developer an additional \$3,000,000.00 of American Rescue Plan Act (ARPA), Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) from U.S. Department of Treasury in accordance with RFP-2024-600—RG, as gap financing to combat the rising costs associated with construction, and make the Project financially feasible as originally designed; and

WHEREAS, the Parties have agreed to modify the terms of the Development Agreement and certain of its corresponding Exhibits attached, to include the CSLFRF funding, including all requirements thereof, in this Second Supplemental Agreement to Development Agreement (the "Second Supplemental Agreement").

NOW, THEREFORE, for and in consideration of the foregoing premises, and the covenants and agreements of the Parties set forth herein below, together with other good and valuable consideration received by each of the Parties, the receipt and sufficiency of which are hereby acknowledged and confessed by each of the Parties, the Parties do hereby covenant and agree to modify the Development Agreement as follows:

AGREEMENT

1. The Article III, Section 3.1.A shall be amended to increase the total amount of the City Grant, and to read as follows:

Section 3.1. Description of City Grant

A. The City has provided or will provide grants (the "City Grants") to the Developer to assist in the Project financing, in the total amount not to exceed **Seven Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$7,187,152.00)**, to include \$4,187,152.00, from the U.S. Department of Housing and Urban Development HOME Investment Partnerships (HOME) funds, which includes HOME Community Housing Development Organization (CHDO) Set Aside funding in the amount of Three Hundred Thirty-Seven Thousand, Sixty-Seven Dollars and Twenty-Five Cents (\$337,067.25); and \$3,000,000.00 of American Rescue Plan Act (ARPA), Coronavirus State and Local Fiscal Recovery Funds (CSLFRF), from U.S. Department of Treasury. The City Grants shall be forgiven at the end of the Affordability Period if all conditions and requirements of this Development Agreement and related obligations are met.

2. Article V, Section 5.2 shall be amended to increase the total amount of the City Grants, and to read as follows:

Section 5.2. Use of Grant Proceeds, Repayment, Discharge. The City Grants shall be an amount of no greater than **Seven Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$7,187,152.00)**. The City Grants includes all City funds allocated through this Agreement for this Project and shall be used for the development and construction of the Project, and no other purpose.

3. Article V, Section 5.3 shall be amended to increase the total amount of the City Grants. Article V, Section 5.3, Subsections A, B and C shall remain unchanged, as in the original Development Agreement. The first paragraph of Section 5.3 shall be amended to read as follows:

Section 5.3. Disbursement of City Grant Proceeds Authorized under this Agreement. The City

Grants, authorized under this Agreement in the amount of **Seven Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$7,187,152.00)**, has been or shall be disbursed to the Developer to pay actual costs incurred by the Development Entity for purposes authorized under this Agreement and per the projected Project budget attached hereto and incorporated herein as Exhibit E. The City Grants have or will be loaned by the Developer to the Ownership Entity and the Ownership Entity shall execute one or more Promissory Notes secured by Mortgage in favor of Developer representing such loans. The grant of HOME funds in the amount of \$4,187,152.00 is secured by a collateral assignment of a Promissory Note and Mortgage in the amount of \$4,187,152.00, which Promissory Note and Mortgage are attached to the First Supplemental Agreement as Exhibits C and D. The grant of ARPA funds in the amount of \$3,000,000.00 is secured by a collateral assignment of a Promissory Note and Mortgage in the amount of \$3,000,000.00, which Promissory Note and Mortgage are attached to this Second Supplemental Agreement as Exhibits L and M.

4. Amendments to Exhibits. The following Exhibits and Schedules are replaced in their entirety with the documents and schedules attached hereto as APPENDIX A:

Exhibit E: Project Budget
Exhibit F: Schedule of City Grant and Grant Payback Schedule
Exhibit L: \$3,000,000.00 Promissory Note dated September 30, 2024
Exhibit M: Mortgage, Assignment of Rents and Security Agreement (\$3,000,000.00 Loan) dated September 30, 2024

5. Terms and Conditions of the ARPA CSLFRF Grant. The Developer agrees to abide by all the terms and conditions of ARPA CSLFRF Grant, attached to this Second Supplemental Agreement and incorporated herein as APPENDIX B.

6. References in the Development Agreement. The Parties agree that all references in the Development Agreement and First Supplemental Agreement to the "Developer" are understood to be references to Sol Housing, formerly known as the GAHP. By this Second Supplemental Agreement, all references to "Developer" or "GAHP" in documents endorsed, filed or recorded, concurrently or subsequent to this Second Supplemental Agreement, associated with the Project that is the subject of the Development Agreement, and including the Development Agreement and First Supplemental Agreement, shall be understood as references to Sol Housing, the entity formerly known as the GAHP. References to Sol Housing in any such documents shall be understood to be the entity formerly known as the Greater Albuquerque Housing Partnership (GAHP). Such documents include, but are not limited to the following: Restrictive Real Estate Covenants; Collateral Assignment of Promissory Note and Mortgage, Assignment of Rents and Security Agreement; Promissory Note; Mortgage, Assignment of Rents and Security Agreement; and Agreement to Assume Rights and Responsibilities.

7. Same Rights and Obligations. Article XII, Section 12.19 of the Development Agreement provides that the City must approve in writing the assignment or delegation of any rights or

responsibilities granted in the Development Agreement. Sol Housing, formerly known as the GAHP, agrees that it shall continue to have all the obligations previously designated to the GAHP under the Development Agreement. The City hereby approves the delegation of all rights and obligations under the Development Agreement, and other documents endorsed, filed or recorded, concurrently with or subsequent to this Second Supplemental Agreement, associated with the Project that is the subject of the Development Agreement, from the entity formerly known as the GAHP to Sol Housing.

8. Ratification. Sol Housing, formerly known as the GAHP, and the City wish to ratify all actions taken by the Parties in accordance with the terms and conditions of the Development Agreement, from the time of execution of the Development Agreement to the execution of this Second Supplemental. Further, the Parties explicitly agree that all of the terms and conditions of the Development Agreement, including but not limited to any insurance requirements, are applicable continuously commencing upon the date of execution of the Development Agreement.

9. Full Force and Effect. Except as otherwise modified herein, the terms and provisions of the original Development Agreement and First Supplemental Agreement shall remain unchanged and shall continue in full force and effect. If there is a conflict between the terms and conditions of the Development Agreement, First Supplemental Agreement and this Second Supplemental Agreement, the terms and conditions of this Second Supplemental shall control.

10. Counterparts. This Second Supplemental Agreement may be executed in any number of counterparts and each such counterpart shall be deemed for all purposes to be an original and all such counterparts shall together constitute but one and the same amendment/supplemental.

11. Electronic Signatures: Authenticated electronic signatures are legally acceptable pursuant to Section 14-16-7 NMSA 1978. The parties agree that this Second Supplemental Agreement may be electronically signed and that the electronic signatures appearing on the Second Supplemental Agreement are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

IN WITNESS WHEREOF, the Parties have executed this Second Supplemental Agreement as of the final date of signature below.

(SIGNATURES APPEAR ON THE FOLLOWING PAGES)

CITY:

CITY OF ALBUQUERQUE,
a New Mexico municipal corporation

Samantha Sengel, Chief Administrative Officer

Date: _____

Gilbert Ramírez, Director
Department of Health, Housing & Homelessness

Date: _____

Lauren Keefe, City Attorney

Date: _____

DEVELOPER:

SOL HOUSING,
a New Mexico nonprofit corporation

By: _____
FELIPE RAEL, Executive Director

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

On this _____ day of _____, 2025, before me personally appeared FELIPE RAEL, Executive Director, of SOL HOUSING, and to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed on behalf of the partnership.

My Commission Expires:

NOTARY PUBLIC

APPENDIX A

(EXHIBITS AND SCHEDULES ON FOLLOWING PAGES)

EXHIBIT E PROJECT BUDGET

1-APPENDIX B - Multifamily-Underwriting-Farolito Gap.xlsx

Development Costs

Development Costs

Enter data in green cells only

Project Name - Farolito Senior - Gap \$ RFP : 82 Units

Cost	Amount	Cost Per Unit	Cost Per Square Foot	Comment
Acquisition Costs				
Land	\$29,000	\$354	\$1	
Existing Structures	\$0	need data	need data	
		need data	need data	
Site Work Costs (not included in construction contract)				
Demolition/Clearance		need data	need data	
Site Remediation	\$81,864	\$998	\$1	
Off-Site Costs (these are not HOME eligible)				
Improvements		need data	need data	
Construction Equipment (HOME eligible portion)		need data	need data	
Construction Equipment (non-HOME eligible portion)		need data	need data	
		need data	need data	
		need data	need data	
Construction / Rehabilitation Costs (construction)				
	Amount			
Site Work Included in Construction Contract	\$1,162,881	\$14,181	\$21	
Construction Equipment (HOME eligible portion)		need data	need data	
Construction Equipment (non-HOME eligible portion)		need data	need data	
New Construction	\$16,340,153	\$199,270	\$298	
Rehabilitation	\$0	need data	need data	
General Requirements	\$931,658	\$11,362	\$17	
Builder's Overhead	\$577,933	\$7,048	\$11	
Builder Profit	\$739,693	\$9,021	\$13	
Performance Bond Premium	\$90,061	\$1,098	\$2	
Construction Contingency	\$1,046,902	\$12,767	\$19	
Gross Receipts Tax	\$1,512,981	\$18,451	\$28	
Security & Access Control	\$75,000	\$915	\$1	
Architectural and Engineering Fees				
Architect Fee -- Design	\$475,423	\$5,798	\$9	
Architect Fee -- Construction Supervision	\$108,766	\$1,326	\$2	
Engineering Fees	\$50,000	\$610	\$1	
		need data	need data	
Other Owner Costs				
Project Consultant Fees		need data	need data	
Owner Attorney Fees (Initial closing)	\$35,000	\$427	\$1	
Owner Attorney Fees (final closing)	\$0	need data	need data	
Syndication Costs	\$35,000	\$427	\$1	
Other Owner Organizational Expenses		need data	need data	
Market Study	\$6,000	\$73	\$0	
Survey	\$0	need data	need data	
Appraisal Fees	\$10,000	\$122	\$0	
Environmental Studies	\$15,800	\$193	\$0	
Capital Needs Assessment	\$0	need data	need data	
		need data	need data	
Tap Fees and Impact Fees	\$100,000	\$1,220	\$2	
Building Permits and Fees	\$112,459	\$1,371	\$2	
Tax Credit Fees	\$125,767	\$1,534	\$2	
Accounting / Cost Certification / Audit	\$0	need data	need data	
Soft Cost Contingency	\$0	need data	need data	
LEED	\$59,301	\$723	\$1	
Miscellaneous	\$25,000	\$305	\$0	
Interim Financing Costs				
Construction Period Insurance	\$100,000	\$1,220	\$2	
Construction Period Taxes	\$0	need data	need data	
Construction Interest (see calculation below)	\$750,000	\$9,146	\$14	
Construction Loan Origination Fee	\$96,750	\$1,180	\$2	
Construction Loan Legal Fees	\$20,000	\$244	\$0	
Other Construction Loan Fees	\$2,500	\$30	\$0	
Bond Costs of Issuance		need data	need data	
Title and Recording Costs (for the construction loan)	\$115,225	\$1,405	\$2	
Lender Inspections	\$30,000	\$366	\$1	
Special Inspections	\$60,000	\$732	\$1	
Permanent Financing Costs				
Credit Report		need data	need data	
Lender Origination / Financing Fee	\$45,000	\$549	\$1	
Lender's Counsel Fee	\$15,000	\$183	\$0	
Other Lender Fees	\$3,000	\$37	\$0	
Title and Recording Costs (for permanent financing)	\$0	need data	need data	
Establish Tax and Insurance Escrows	\$15,000	\$183	\$0	
		need data	need data	
		need data	need data	
Developer's Fee	\$1,660,000	\$20,244	\$30	
Initial Project Reserves				
Initial Rent-Up Reserve (not HOME eligible)	\$407,437	\$4,969	\$7	
Initial Operating Reserve (HOME-eligible portion)	\$0	need data	need data	
Initial Operating Reserve (non-HOME-eligible portion)	\$0			
Initial Debt Service Reserve (not HOME eligible)		need data	need data	
Initial Replacement Reserve (not HOME eligible)	\$0	need data	need data	

Project Administration and Management Costs				
Marketing/Management	\$100,000	\$1,220	\$2	
Operating Expenses		need data	need data	
Furniture, Fixtures & Equipment	\$75,000	\$915	\$1	
Tenant Relocation Costs		need data	need data	
		need data	need data	
		need data	need data	
Other Development Costs				
		need data	need data	
		need data	need data	
		need data	need data	
		need data	need data	
		need data	need data	
		need data	need data	

Total Development Costs	\$27,241,554
--------------------------------	---------------------

Construction Interest Calculation	
Construction Loan Amount	\$10,000,000
Interest Rate	8.4%
Estimated First Draw Amount	\$100,000
Months of Construction	17.0
Months Const. Loan Outstanding After Completion	5.0
Average Outstanding Balance	33%

Interest on first draw, during construction period	\$11,829
Interest on remaining funds, during construction	\$390,254
Construction Interest after completion	\$347,917
Total Construction Interest	\$750,000

Notes:

Construction Contingency is 5.5%
 General Requirements is 4.6% of construction costs
 Builder's Overhead is 2.9% of construction costs
 Builder Profit is 3.7% of construction costs

Developer's Fee is 6.6% of total development cost (excluding developer fee and initial reserves)

Later in this template, you will calculate the maximum allowable HOME investment and the minimum required number of HOME-assisted units. These calculations take place on the Cost Allocation tab. For these calculations, you need to have identified any development costs that are not HOME-eligible. List the ineligible costs here (these costs can be funded from other sources of funds, but cannot be funded by HOME).

Costs that Are Not HOME-Eligible	Amount	Comment
Construction Equipment (non-HOME eligible portion)	\$0	
Off-Site Costs (these are not HOME eligible)	\$0	
Initial Rent-Up Reserve (not HOME eligible)	\$407,437	
Initial Operating Reserve (non-HOME-eligible portion)	\$0	
Initial Debt Service Reserve (not HOME eligible)	\$0	
Initial Replacement Reserve (not HOME eligible)	\$0	
Other HOME-Ineligible Cost 1	\$0	
Other HOME-Ineligible Cost 2	\$0	
Other HOME-Ineligible Cost 3	\$0	
Other HOME-Ineligible Cost 4	\$0	

Total Non-HOME-Eligible Costs	\$407,437
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Upon completing this tab, proceed to the *Repl Reserve* tab

Operating Expenses

Enter data in green cells only

Project Name - Farolito Senior - Gap \$ RFP : 82 Units

Expense	Annual Cost	Monthly Cost	Per Unit Per Year	Comment
Administrative / Management Expenses				
Management Fee	\$56,938	\$4,745	\$694	
Management Administrative Payroll Costs	\$69,000	\$5,750	\$841	
Renting / Advertising / Marketing Expenses	\$4,705	\$392	\$57	
Legal Fees	\$5,000	\$417	\$61	
Accounting / Audit Fees	\$12,100	\$1,008	\$148	
Telephone	\$6,650	\$554	\$81	
Office Supplies	\$6,934	\$578	\$85	
PJ Monitoring Fee (if any)		\$0		
LJHTC Compliance Fees	\$4,100	\$342	\$50	
Third Party Compliance	\$3,754	\$313	\$46	
Operations and Maintenance Expenses				
Security		\$0		
Operations and Maintenance Payroll Costs	\$63,747	\$5,312	\$777	
Repairs Supplies	\$18,600	\$1,550	\$227	
Repairs Contracts		\$0		
Elevator (if any)	\$3,250	\$271	\$40	
Other Mechanical Equipment		\$0		
Interior Painting		\$0		
Exterminating	\$3,000	\$250	\$37	
Lawn and Landscaping	\$12,190	\$1,016	\$149	
Garbage Removal	\$10,400	\$867	\$127	
Snow Removal		\$0		
Resident Service Cost	\$2,500	\$208	\$30	
		\$0		
		\$0		
Utilities Paid by the Property				
Electricity	\$16,500	\$1,375	\$201	
Natural Gas, Oil, Other Fuel	\$1,680	\$140	\$20	
Sewer and Water	\$24,948	\$2,079	\$304	
		\$0		
Taxes / Insurance / Other Expenses				
Real Estate Taxes	\$31,537	\$2,628	\$385	
Payroll Taxes				
Other Taxes and Licenses		\$0		
Property Insurance	\$67,540	\$5,628	\$824	
Workers Compensation Insurance				
Health Insurance / Other Employee Benefits				
Security Expense	\$11,000	\$917	\$134	
SLO Ground Lease	\$28,750	\$2,396	\$351	
TOTAL OPERATING EXPENSES	\$464,823	\$38,735	\$5,669	
Reserve for Replacement Deposit	\$20,500	\$1,708	\$250	
TOTAL EXPENSES PLUS RESERVE	\$485,323	\$40,444	\$5,919	
SUBTOTAL ADMINISTRATIVE EXPENSES	\$169,181	\$14,098	\$2,063	
SUBTOTAL O&M EXPENSES	\$113,687	\$9,474	\$1,386	
SUBTOTAL OWNER PAID UTILITIES	\$43,128	\$3,594	\$526	
SUBTOTAL TAXES / INSURANCE / OTHER	\$138,827	\$11,569	\$1,693	
TOTAL OPERATING EXPENSES	\$464,823	\$38,735	\$5,669	

Upon completing this tab, proceed to the First Mortgage Sizing tab.

Enter data in green cells only

[illegible]

Rent Loss Rates (As % of GPR)	HOME Units	Market Rate Units	Other Affordable Units
Rent Loss Year 1 (Lease-Up)	20.0%	20.0%	20.0%
Stabilized Rent Loss Rate (after Year 1)	5.0%	5.0%	5.0%

Laundry and Other	\$20	per month
		per month
		per month
		per month
		per month
Total Other Revenue	\$20	per month

Sources and Uses of Funds

Enter data in green cells only

Project Name - Farolito Senior - Gap \$ RFP : 82 Units

In this template, the underwriter enters all proposed Sources of Funds (including HOME) on this tab (other than those that were already entered on the First Mortgage Sizing tab). The Uses of Funds are repeated below (from the Development Costs tab). Then the template verifies whether the Sources and Uses are in balance; be sure that Sources and Uses are balanced before moving forward. If there are insufficient Sources, potential solutions include deferring a greater portion of the developer fee, increasing HOME funding, and obtaining increased funding from some other source. If there are excess Sources, the HOME underwriter should consider reducing the proposed HOME funding.

PJs must perform cost allocation separately from this tool to verify that the proposed amount of HOME funding is within the allowable maximum HOME investment.

Sources of Funds	Amount	HOME?	Comment
First Mortgage Loan (proposed amount)	\$4,500,000	No	
Amortizing Second Mortgage Loan	\$0	No	
HOME	\$4,187,152	Yes	
Coronavirus State & Local Recovery Funds	\$3,000,000	No	
CDBG	\$450,000	No	
Deferred Developer Fee	\$726,822		
Developer Cash Investment	\$100		
Tax Credit Equity (proposed amount)	\$14,377,480		
Total Sources of Funds	\$27,241,554		

Total HOME Funding \$4,187,152
 Developer Investment for Financial Analysis \$726,922 (used in Operating Pro Forma for IRR, etc.)

Uses of Funds / Total Development Cost	Amount	Comment
Acquisition Costs	\$29,000	
Site Work Costs	\$81,864	
Construction / Rehabilitation Costs	\$22,477,262	
Architectural / Engineering Costs	\$634,189	
Other Owner Costs	\$524,327	
Construction Interest	\$750,000	
Other Interim Financing Costs	\$424,475	
Permanent Financing Costs	\$78,000	
Developer's Fee	\$1,660,000	
Initial Project Reserves	\$407,437	
Project Management Costs	\$175,000	
Other Development Costs	\$0	
Total Uses of Funds	\$27,241,554	

Subsidy layering gap (before HOME funding) \$4,187,152 (Total Uses of Funds minus Total Sources of Funds other than HOME)

Enter data in green cells only

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References

Printed on 10/20/2016

Exhibit F

Schedule of City Grant and Grant Payback Schedule

Source of Fund	Amount	Forgiven
City HOME Funds	\$4,187,152	End of Affordability Period
City CSLFRF Funds	\$3,000,000	End of Affordability Period

(THIS SPACE INTENTIONALLY LEFT BLANK)

EXHIBIT L

PROMISSORY NOTE

\$3,000,000.00

FOR VALUE RECEIVED, the undersigned, FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability limited partnership ("Maker"), promises to pay to the order of SOL HOUSING, a New Mexico nonprofit corporation ("Holder"), the principal sum of THREE MILLION DOLLARS and No/100s (\$3,000,000.00), or so much thereof as may have been advanced to Maker by Holder, together with all charges as provided herein and accrued interest on the principal balance thereof outstanding from time to time at the applicable rate of interest as hereinafter specified. The obligations of the Maker hereunder shall be full recourse obligations.

The Note will not accrue interest.

On or before January 1, 2026, and on or before each January 1 thereafter, the Maker shall make a payment on this Note to the extent of Residual Receipts for the immediately preceding year. "Residual Receipts" shall mean Net Cash Flow of the Maker (as that term is defined in the Amended and Restated Agreement of Limited Liability Limited Partnership of the Maker dated as of September 1, 2024) (the "Partnership Agreement") in the priority set forth in Section 7.03 of the Partnership Agreement. If not sooner paid, the entire outstanding balance of the principal sum and all accrued and unpaid interest thereon will be immediately due and payable in full on the earlier of (i) December 31, 2054, (ii) upon Maker's default or breach of this Note, subject to the notice and cure provisions set forth herein, or (iii) in the event of a sale or refinancing of the Project.

All payments of principal and interest hereunder are payable in lawful money of the United States at Holder's office at 320 Gold Ave., SW, Suite 918, Albuquerque, New Mexico 87102, or at such other place as Holder may from time to time give notice in writing to Maker. All payments received hereunder will be applied first to accrued interest as of the date of payment and then to the outstanding principal balance of this Note.

This Note is secured by a Mortgage and Security Agreement of even date herewith, recorded in the real property records of Bernalillo County, New Mexico (the "Mortgage"), conveying a mortgage and security interest in the Project and the real property constituting the site therefor. All of the provisions of the Mortgage are incorporated herein by reference.

Prepayments of all or any part of the balance of this Note may be made at any time and from time to time by Maker. No premium or penalty will be charged in connection with such prepayment.

The occurrence of any of the following is a default of the terms of this Note: (i) Maker fails to pay when due any installment of principal or interest hereunder; or (ii) Maker dissolves or otherwise fails to maintain its status as a New Mexico limited liability limited partnership.

Upon an event of default hereunder, Holder shall provide notice thereof to Maker (a "Default Notice"). Maker will have thirty (30) days after receipt of a Default Notice to cure the default addressed therein (the "Cure Period"). If such default is reasonably capable of being cured within the Cure Period, Maker will have such period to effect a cure prior to exercise of remedies by Holder under this Note and the Mortgage. If such default is such that it is not reasonably capable of being cured within the Cure Period and if Maker initiates corrective action within the Cure Period and diligently and in good faith works to effect a cure as soon as possible, then Maker shall have such additional time as is reasonably necessary to cure such default. Unless and until Maker receives a Default Notice, no action or inaction by or on behalf of Maker will be deemed an event of default hereunder, triggering Maker's obligation to cure or to pay the indebtedness evidenced hereby. In the event Maker receives a Default Notice and fails to cure the applicable default or Maker and Holder have not agreed in writing to a settlement thereof within the Cure Period, as extended, the whole unpaid balance hereof will, at once or at any time thereafter during the continuance of such default, at the option of Holder, become immediately due and payable, and Maker will pay on demand to Holder all costs and expenses, including reasonable attorney's fees, incurred by Holder in pursuing its remedies under this Note.

Notwithstanding anything to the contrary, so long as RJ MT Farolito Senior L.L.C. (or an affiliate thereof) is the Limited Partner of the Maker, Holder will not exercise any other rights or remedies it may have under the Note, including, but not limited to, accelerating the indebtedness, collecting rents, appoint (or seeking the appointment of) a receiver or exercising any other rights or remedies thereunder. Holder waives no rights or remedies it may have under the Note, but merely agrees not to enforce those rights or remedies until such time as RJ MT Farolito Senior L.L.C. is no longer the Limited Partner of Maker.

Maker's limited partner (the "Limited Partner") may, at its option, cure any default for a period of thirty (30) days following notice thereof, which period may be extended with the prior consent of Holder if the Limited Partner has initiated efforts to cure the default within such thirty (30) day period and continues to diligently pursue those efforts to completion. Any cure of any default made or tendered by the Limited Partner will be deemed to be a cure by Maker and will be accepted or rejected on the same basis as if made or tendered by Maker.

All notices to Maker given hereunder must be in writing, must be hand delivered or sent by overnight courier or by certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

Maker: Farolito Apartments Limited Partnership LLLP
320 Gold Ave., SW, Suite 918
Albuquerque, New Mexico 87102

Limited Partner: RJ MT Farolito Senior L.L.C.
c/o Raymond James Affordable Housing Investments, Inc.
880 Carillon Parkway
St. Petersburg, FL 33716
Email address: Steve.Kropf@RaymondJames.com
Attn: Steven J. Kropf - President

Any such notice will be deemed effective when hand delivered, or one business day after timely delivery to an overnight courier for next day delivery to Maker (as evidenced by a receipt from the overnight courier), or three days after notice is deposited with the U.S. Postal Service. Copies of all notices hereunder or under the Mortgage sent to Maker must also be sent to the Limited Partner at the address set forth above. Any notice hereunder or under the Mortgage delivered to Maker will be deemed ineffective and not delivered until a copy of such notice is delivered to the Limited Partner.

Except to the extent expressly provided herein, Maker waives presentment for payment, notice of protest and notice of dishonor. Maker consents to any number of renewals or extensions of the time of payment hereof. Any such renewals or extensions may be made without notice to Maker and without affecting its liability.

Failure to accelerate the indebtedness evidenced hereby by reason of default in the payment of an installment of principal, interest, or principal and interest, or the acceptance of a past due installment of the same, will not be construed as a novation of this Note or as a waiver of the right of Holder to thereafter insist upon strict compliance with the terms of this Note without previous notice of such intention being given to Maker. This Note cannot be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

As used herein, the terms "Maker" and "Holder" will be deemed to include their respective successors, legal representatives and assigns, whether voluntary by action of the parties or involuntary by operation of law. This Note will be construed according to the laws of the State of New Mexico.

Any and all references in this Note to any other document or documents are references to such document or documents as the same may from time to time be modified, amended, renewed, consolidated or extended.

The representative of Maker subscribing below represents that he has full power, authority and legal right to execute and deliver this Note and that the debt evidenced hereby constitutes a valid and binding obligation of Maker.

Holder agrees that it shall not assign or transfer this Loan (or any interest therein) to any third party without the prior written consent of Maker and Limited Partner.

This Note is executed in Albuquerque, New Mexico on the 30 day of September, 2024.

FAROLITO APARTMENTS LIMITED
PARTNERSHIP LLLP, a New Mexico limited
liability limited partnership

By: FAROLITO SENIOR, L.L.C, a New
Mexico limited liability company, General
Partner

By: SOL HOUSING, Manager

By: 
Felipe Rael, Executive Director

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**MORTGAGE, ASSIGNMENT OF RENTS
AND SECURITY AGREEMENT**

(\$3,000,000.00 Loan)

THIS MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT ("Mortgage") is made as of September 30, 2024, by FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability limited partnership, whose address is 320 Gold Ave., SW, Suite 918, Albuquerque, New Mexico 87102, as mortgagor ("Borrower") and SOL HOUSING, a New Mexico nonprofit corporation, whose address is 320 Gold Ave., SW, Suite 918, Albuquerque, New Mexico 87102, as mortgagee ("Lender").

Borrower, in consideration of the indebtedness herein recited hereby mortgages, warrants, grants, conveys and assigns to Lender, Borrower's leasehold interest in the real property located in the City of Albuquerque, County of Bernalillo, New Mexico as described on Exhibit A attached hereto and incorporated herein by this reference (the "Land").

(a) TOGETHER WITH all of Borrower's interest in any and all buildings and improvements now or hereafter erected on the Land, including but not limited to the fixtures, appurtenances, attachments, appliances, equipment, machinery, and other articles attached to such buildings and improvements, but specifically excluding personalty of tenants in the buildings (the "Improvements"). The Land and Improvements are referred to collectively as the "Property".

(b) For purposes of this Mortgage, "fixtures" shall be deemed to include, to the fullest extent allowed by law, all equipment and machinery now or at any time hereafter located in, on, under or about the Property or appurtenant thereto, that is used in connection therewith and which is or becomes so related to the Property that an interest arises in it under real estate law. Such fixtures shall include, without limitation, all machinery, equipment (including without limitation pipes, furnaces, conveyors, drums, fire sprinklers and alarms systems, and air conditioning, heating, refrigerating, electronic monitoring, food storage, food processing, trash and garbage removal and maintenance equipment), office equipment, built-in tables, chairs, planters, desks, sofas, shelves, lockers, cabinets, safes, furnishings, appliances including without limitation iceboxes, refrigerators, dishwashers, stoves, ovens, microwave ovens, trash compactors, washers, dryers, fans, heaters, water heaters and incinerators), rugs, carpets and other floor coverings, draperies, drapery rods and brackets, awnings, window shades, venetian blinds, curtains, lamps, chandeliers and other lighting fixtures.

(c) TOGETHER WITH, all rents, issues, profits, royalties, deposits, receipts, revenues, income and all other benefits derived from the Property (collectively, the "Rents"), subject to the right, power and authority hereinafter given to Borrower to collect and apply the Rents.

Borrower and Lender covenant and agree as follows:

**MORTGAGE, ASSIGNMENT OF RENTS
AND SECURITY AGREEMENT**

(\$3,000,000.00 Loan)

THIS MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT ("Mortgage") is made as of 6/20/2024, 2024, by FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability limited partnership, whose address is 320 Gold Ave., SW, Suite 918, Albuquerque, New Mexico 87102, as mortgagor ("Borrower") and SOL HOUSING, a New Mexico nonprofit corporation, whose address is 320 Gold Ave., SW, Suite 918, Albuquerque, New Mexico 87102, as mortgagee ("Lender").

Borrower, in consideration of the indebtedness herein recited hereby mortgages, warrants, grants, conveys and assigns to Lender, Borrower's leasehold interest in the real property located in the City of Albuquerque, County of Bernalillo, New Mexico as described on Exhibit A attached hereto and incorporated herein by this reference (the "Land").

(a) TOGETHER WITH all of Borrower's interest in any and all buildings and improvements now or hereafter erected on the Land, including but not limited to the fixtures, appurtenances, attachments, appliances, equipment, machinery, and other articles attached to such buildings and improvements, but specifically excluding personalty of tenants in the buildings (the "Improvements"). The Land and Improvements are referred to collectively as the "Property".

(b) For purposes of this Mortgage, "fixtures" shall be deemed to include, to the fullest extent allowed by law, all equipment and machinery now or at any time hereafter located in, on, under or about the Property or appurtenant thereto, that is used in connection therewith and which is or becomes so related to the Property that an interest arises in it under real estate law. Such fixtures shall include, without limitation, all machinery, equipment (including without limitation pipes, furnaces, conveyors, drums, fire sprinklers and alarms systems, and air conditioning, heating, refrigerating, electronic monitoring, food storage, food processing, trash and garbage removal and maintenance equipment), office equipment, built-in tables, chairs, planters, desks, sofas, shelves, lockers, cabinets, safes, furnishings, appliances including without limitation iceboxes, refrigerators, dishwashers, stoves, ovens, microwave ovens, trash compactors, washers, dryers, fans, heaters, water heaters and incinerators), rugs, carpets and other floor coverings, draperies, drapery rods and brackets, awnings, window shades, venetian blinds, curtains, lamps, chandeliers and other lighting fixtures.

(c) TOGETHER WITH, all rents, issues, profits, royalties, deposits, receipts, revenues, income and all other benefits derived from the Property (collectively, the "Rents"), subject to the right, power and authority hereinafter given to Borrower to collect and apply the Rents.

Borrower and Lender covenant and agree as follows:

1. **Note; Other Obligations Secured.** This Mortgage is given to secure to Lender: (1) the repayment of the indebtedness evidenced by Borrower's Promissory Note (the "Note") of even date herewith in the principal sum of \$3,000,000.00, according to the terms of the Note payable to order of Lender, and extensions or renewals thereof; (2) the performance of each agreement and covenant of Borrower incorporated by reference or contained herein; and (3) payment of additional sums and interest thereon which may hereafter be loaned by Lender to Borrower, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Mortgage. The obligations of the Borrower under the Note are full recourse obligations.

2. **Payment of Principal.** Borrower shall promptly pay when due the principal of the indebtedness evidenced by the Note, and late charges as provided in the Note and shall perform all of Borrower's other covenants contained in the Note.

3. **Prior Mortgages and Deeds of Trust Charges Liens.** Borrower shall perform all or Borrower's obligations under any prior mortgage and any other prior liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may have or attain a priority over this Mortgage. Despite the foregoing, Borrower shall not be required to make payments otherwise required by this Section 3 if Borrower, after notice to Lender, shall in good faith contest such obligation by, or defend enforcement of such obligation in, legal proceedings which operate to prevent the enforcement of the obligation or forfeiture of the Property or any part thereof, only upon Borrower making all such contested payments and other payments as ordered by the court to the registry of the court in which such proceedings are filed.

4. **Property Insurance.**

(a) Borrower shall keep the Improvements now existing or hereafter erected on the Property insured against loss by fire or hazards included within the term "extended coverage" in an amount at least equal to the lesser of (1) the insurable value of the Property or (2) an amount sufficient to pay the sums secured by this Mortgage as well as any prior encumbrances on the Property. All of the foregoing shall be known as "Property Insurance".

(b) The insurance carrier providing the Property Insurance shall be qualified to write Property Insurance in New Mexico and shall be chosen by Borrower subject to Lender's right to reject the chosen carrier for reasonable cause. All Property Insurance policies and renewals thereof shall include a standard mortgage clause in favor of Lender, and shall provide that the insurance carrier shall notify Lender at least ten (10) days before cancellation, termination or any material change of coverage. Property Insurance policies shall be furnished to Lender at or before closing, Lender shall have the right to hold the policies and renewals thereof.

(c) In the event of loss, Borrower shall give prompt notice to the Property Insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

(d) Property Insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the Property Insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is given in accordance with Section 13 by tender to Borrower that the Property Insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the Property Insurance proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage or any part thereof.

(e) Any such application of proceeds to principal shall not extend or postpone the due date of any required payments under the Note or change the amount of such payments. Notwithstanding anything herein to the contrary, if under Section 15 the Property is acquired by Lender, all right, title and interest of Borrower in and to any Property Insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

(f) All of the rights of Borrower and Lender hereunder with respect to insurance carriers, insurance policies and insurance proceeds are subject to the rights of any holder of a prior mortgage with respect to said insurance carriers, policies and proceeds.

(g) Borrower shall be in compliance with the requirements of this Section 4 if Borrower is in compliance with the insurance requirements set forth in any prior mortgage secured by the Property, or any other mortgage which may have or attain priority to this Mortgage.

5. Preservation and Maintenance of Property. Borrower shall keep the property in good repair and shall not commit waste or permit impairment or deterioration of the Property. Borrower shall perform all of Borrower's obligations under any declarations, covenants, by-laws, rules, or other documents governing the use, ownership or occupancy of the Property.

6. Protection of Lender' Security.

(a) Except when Borrower has exercised Borrower's rights under Section 3 above, if the Borrower fails to perform the covenants and agreements contained in this Mortgage, or if a default occurs in a prior lien, or if an action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, with notice to Borrower if required by law, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to:

(i) any general or special taxes or ditch or water assessments levied or accruing against the Property;

(ii) the premiums on any insurance necessary to protect any improvements comprising a part of the Property;

- (iii) sums due on any prior lien or encumbrance on the Property;
- (iv) the reasonable costs and expenses of defending, protecting, and maintaining the Property and Lender's interest in the Property, including repair and maintenance costs and expenses, costs and expenses of protecting and securing the Property, receiver's fees and expenses, inspection fees, appraisal fees, court costs, attorney fees and costs, and fees and costs of an attorney in the employment of the Lender or holder of the certificate of purchase;
- (v) all other costs and expenses allowable by the evidence of debt or this Mortgage; and
- (vi) such other costs and expenses which may be authorized by a court of competent jurisdiction.

(b) Borrower hereby assigns to Lender any right Borrower may have by reason of any prior encumbrance on the Property or by law or otherwise to cure any default under said prior encumbrance.

(c) Any amounts disbursed by Lender pursuant to this Section 6, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and Lender may bring suit to collect any amounts so disbursed plus interest specified in Section 1. Nothing contained in this Section 6 shall require Lender to incur any expense or take any action hereunder.

7. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspection of the Property, provided that Lender shall give Borrower written notice prior to any such inspection specifying reasonable cause thereof related to Lender's interest in the Property.

8. **Condemnation.**

(a) The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender as herein provided. However, all of the rights of Borrower and Lender hereunder with respect to such proceeds are subject to the rights of any holder of a prior mortgage.

(b) In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, the proceeds remaining after taking out any part of the award due any prior lien holder (net award) shall be divided between Lender and Borrower, in the same ratio as the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to Borrower's equity in the Property immediately prior to the date of taking. Borrower's equity in the Property means the fair market value of the Property less the amount of sums secured by both this Mortgage and all prior liens (except taxes) that are to receive any of the award, all at the value immediately prior to the date of taking; provided that the proceeds paid to Lender shall not exceed all amounts secured by this Mortgage. Notwithstanding anything to the contrary contained herein but subject to the rights of any senior lender, so long

as the value of Lender's lien is not impaired, any condemnation proceeds may be used by Borrower for repair and/or restoration of the Project.

(c) If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is given, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

(d) Any such application of proceeds to principal shall not extend or postpone the due date of any required payments under the Note or change the amount of such payments.

(e) Borrower shall be in compliance with the requirements of this Section 8 if Borrower is in compliance with provisions regarding condemnation set forth in any prior mortgage secured by the Property, or any other mortgage which may have or attain priority to this Mortgage.

9. **Borrower Not Released.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower, nor Borrower's successors in interest, from the original terms of this Mortgage. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower nor Borrower's successors in interest.

10. **Forbearance by Lender Not a Waiver.** Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by law, shall not be a waiver or preclude the exercise of any such right or remedy.

11. **Remedies Cumulative.** Each remedy provided in the Note and this Mortgage is distinct from and cumulative to all other rights or remedies under the Note and this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

12. **Successors and Assigns Bound; Joint and Several Liability; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of Section 20. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the sections in this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

13. **Notice.** Except for any notice required by law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be in writing and shall be given and be effective upon (1) delivery to Borrower and Borrower's Limited Partner, or (2) mailing such notice by first class U.S. mail, addressed to Borrower and Borrower's Limited Partner at Borrower's and Borrower's Limited Partner's address stated herein or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be in writing and shall be given and be effective upon (1) delivery to Lender, or (2)

mailing such notice by first class U.S. mail, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in any manner designated herein. Borrower's Limited Partner's address is: RJ MT Farolito Senior, L.L.C, 880 Carillon Parkway, St. Petersburg, FL 33716, Email address: Steve.Kropf@RaymondJames.com, Attn: Steven J. Kropf – President.

14. **Governing Law; Severability.** The Note and this Mortgage shall be governed by the law of New Mexico. In the event that any provision or clause of this Mortgage or the Note conflicts with the law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Mortgage and Note are declared to be severable.

15. **Acceleration; Foreclosure; Other Remedies.** At any time upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, or upon any default in a prior lien upon the property, subject to any cure period provided therein, Lender, at Lender's option, may declare the indebtedness secured hereby to be immediately due and payable without further demand, and may foreclose this Mortgage by judicial proceeding and may invoke any one or more other remedies permitted by applicable law or provided in this Mortgage or in the Note. Lender shall be entitled to collect all costs and expenses incurred in pursuing such remedies, including attorneys' fees, costs of documentary evidence, abstracts and title reports. Notwithstanding any other provisions of this Mortgage or the Note to the contrary, Borrower may not, until the end of the Compliance Period (as such term is defined in Borrower's Partnership Agreement), exercise its rights under this Mortgage without the prior written consent of the Borrower's Limited Partner.

16. **Borrower's Right to Cure Default.** Whenever foreclosure is commenced for non-payment of any sums due hereunder, Borrower or parties liable hereon shall be entitled to cure said defaults by paying all delinquent principal and interest payments due as of the date of cure, costs, expenses, late charges, reasonable attorney's fees and other fees all in the manner provided by law. Upon such payment, this Mortgage and the obligations secured hereby shall remain in full force and effect as though no Acceleration had occurred, and the foreclosure proceedings shall be discontinued. The Limited Partner shall have the right, but not the obligation, to cure defaults hereunder in the same manner as set out in the Note.

17. **Assignment of Rents; Appointment of Receiver; Lender In Possession.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property; however, Borrower shall, prior to Acceleration under Section 15 or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

- a. Lender shall be entitled to a receiver for the Property after Acceleration under Section 15, and shall also be so entitled during the time covered by foreclosure proceedings and the period of redemption, if any; and shall be entitled thereto as a matter of right without regard to the solvency or insolvency of Borrower or of the then owner of the Property, and without regard to the value thereof. Such receiver may be appointed by any court of

competent jurisdiction upon ex parte application and without notice, notice being hereby expressly waived.

- b. Upon Acceleration under Section 15 or abandonment of the Property, Lender in person, by agent or by judicially-appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied, first, to payment of the costs of preservation and management of the Property, second, to payments due upon prior liens, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

18. **Release.** Upon payment of all sums secured by this Mortgage, Lender shall cause the release of this Mortgage. Borrower shall pay all costs of recordation.

19. **Waiver of Exemptions.** Borrower hereby waives all right of homestead and any other exemption in the property under state or federal law presently existing or hereafter enacted.

20. **Transfer of the Property, Assumption.** The following events shall be referred to herein as a "Transfer": (i) a transfer or conveyance of title (or any portion thereof, legal or equitable) of the Property (or any part thereof or interest therein), (ii) the execution of a contract or agreement creating a right to title (or any portion thereof, legal or equitable) in the Property (or any part thereof or interest therein), (iii) or an agreement granting a possessory right in the Property (or any portion thereof), in excess of three (3) years, (iv) a sale or transfer of, or the execution of a contract or agreement creating a right to acquire or receive, a general partnership interest or more than fifty percent (50%) of the controlling interest or more than fifty percent (50%) of the beneficial interest in the Borrower, or (v) the reorganization, liquidation or dissolution of the Borrower. Not to be included as a Transfer are (i) the creation of a lien or encumbrance subordinate to this Mortgage, (ii) the creation of a purchase money security interest for household appliances, (iii) a transfer by devise, descent or by operation of the law upon the death of a joint tenant, (iv) a transfer of limited partnership interests of Borrower, or (v) the removal or substitution of the general partner of Borrower in accordance to the Amended and Restated Agreement of Limited Partnership of the Borrower. At the election of Lender, in the event of each and every Transfer:

- a. All sums secured by this Mortgage shall become immediately due and payable (an Acceleration).
- b. If a Transfer occurs and should Lender not exercise Lender's option pursuant to Section 20(a) to Accelerate, the transferee shall be deemed to have assumed all of the obligations of Borrower under this Mortgage including all sums secured hereby whether or not the instrument evidencing such conveyance, contract or grant expressly so provides. This covenant shall run with the Property and remain in full force and effect until said sums are paid in full. The Lender may without notice to the Borrower deal with the transferee in the same manner as with the Borrower with reference to said sums including the payment or credit to the transferee of undisbursed reserve funds on payment in

full of said sums, without in any way altering or discharging the Borrower's liability hereunder for the obligations hereby secured.

- c. Should Lender not elect to Accelerate upon the occurrence of such transfer then, subject to Section 20(b) above, the mere fact of a lapse of time or the acceptance of payment subsequent to any of such events, whether or not Lender had actual or constructive notice of such Transfer, shall not be deemed a waiver of Lender's right to make such election nor shall Lender be estopped therefrom by virtue thereof. The issuance on behalf of the Lender of a routine statement showing the status of the loan, whether or not Lender had actual or constructive notice of such Transfer, shall not be a waiver or estoppel of Lender's said rights.

21. **Subordination.** Lender agrees that the lien of this Mortgage shall be subordinate to any extended low-income housing commitment (as such term is defined in Section 42(h)(6)(B) of the Internal Revenue Code) (the "**Extended Use Agreement**") recorded against the Property, provided that such Extended Use Agreement, by its terms, must terminate upon foreclosure under this Mortgage or upon a transfer of the Property by instrument in lieu of foreclosure, in accordance with Section 42(h)(6)(E) of the Internal Revenue Code. In addition, Lender agrees that this Mortgage shall be subordinate and remain in the same lien priority to any loan which refinances such financing from BOKF (the "**First Mortgage Lender**") as long as the principal amount of such refinanced debt does not exceed the initial principal amount of the loan from the First Mortgage Lender.

22. **No Oral Agreements.** Pursuant to Section 58-6-5 NMSA 1978, a contract, promise or commitment to loan money or to grant, extend or renew credit, or any modification thereof, in an amount greater than Twenty-five Thousand Dollars and No/100 Dollars (\$25,000.00) not primarily for personal, family or household purposes made by a financial institution is not enforceable unless made in writing and signed by the party to be charged or that party's authorized representatives.

23. **Maximum Amount of Indebtedness.** Notwithstanding any provision to the contrary in this Mortgage or the Note which permits any additional sums to be advanced on or after the date of this Mortgage, whether as additional loans or for any payments authorized by this Mortgage, the total indebtedness secured by this Mortgage shall not at any time exceed three hundred percent (300%) of the original principal amount of the Note set forth in Section 1 of this Mortgage.

24. **Borrower's Copy.** Borrower acknowledges receipt of a copy of the Note and this Mortgage.

25. Notwithstanding anything to the contrary, so long as RJ MT Farolito Senior L.L.C., (or an affiliate thereof) is the Limited Partner of the Borrower, Lender will not exercise any other rights or remedies it may have under the Note, but not limited to, accelerating the indebtedness, collecting rents, appoint (or seeking the appointment of) a receiver or exercising any other rights or remedies thereunder unless such acceleration is required by the City under the Development Agreement or the Restrictive Real Estate Covenants. Lender waives no rights or

remedies it may have under the Note, but merely agrees not to enforce those rights or remedies until such time as RJ MT Farolito Senior L.L.C. is no longer the Limited Partner of Borrower.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Borrower has executed this Mortgage as of the date first written above.

BORROWER:

FAROLITOAPARTMENTS LIMITED PARTNERSHIP LLLP

By FAROLITO SENIOR L.L.C, General Partner

By SOL HOUSING, Manager

By 
FELIPE RAE, Executive Director

LENDER:

SOL HOUSING

By: 
FELIPE RAE, Executive Director

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

On this 20 day of AUGUST, 2024, before me personally appeared FELIPE RAE, the Executive Director of SOL HOUSING, the Manager of FAROLITO SENIOR L.L.C, the General Partner of FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, and acknowledged that he executed the same as his free act and deed on behalf of ~~STATE OF NEW MEXICO~~

NOTARIAL OFFICER

My Commission Expires:

New Mexico

State Bar No. 6296

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

On this 20 day of AUGUST, 2024, before me personally appeared FELIPE RAE, the Executive Director of SOL HOUSING, and acknowledged that he executed the same as his free act and deed on behalf of SOL HOUSING.


~~STATE OF NEW MEXICO~~

NOTARIAL OFFICER

My Commission Expires: Dan Pick

New Mexico

State Bar No. 6296


Notary Public


Notary Public

EXHIBIT "A"
Legal Description

RECORD LEGAL DESCRIPTION

Parcel A as shown on the Boundary Survey of Tract C, Video Addition and Parcels of Land Owned by the State of New Mexico Situated Within the NW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 28, T10N, R4E, NMPM, April 2016, recorded with the County Clerk of Bernalillo County on February 12, 2020 as Doc No 2020013489,

Being and intended to be a tract of land situated within the NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 28, Township 10 North Range 4 East, N.M P M, City of Albuquerque, Bernalillo County, New Mexico being more particularly described as follows

BEGINNING at the Northwest corner of the herein described tract, being common to the Northeast corner of Tract A-1, Bellamah's Central Addition, as filed in the office of the County Clerk of Bernalillo County New Mexico on November 2, 2005 in Plat Book 2005C, page 376, running thence

S 87 deg 10' 59" E, a distance of 300 00 feet to the Northeast corner, thence

S 00 deg. 55' 04" W, a distance of 345 20 feet to the Southeast corner, being a point on the Northerly line of Central Avenue, thence

N 82 deg. 12' 07" W, along the Northerly line of Central Avenue, a distance of 301 96 feet to the Southwest corner; thence

N 00 deg 54' 32" E, a distance of 318 97 feet to the Northwest corner and the place of beginning

MEASURED LEGAL DESCRIPTION

A CERTAIN PARCEL BEING SITUATE WITHIN THE NW $\frac{1}{4}$ NW $\frac{1}{4}$ SEC 28, T10N, R4E, NMPM, AS THE SAME IS SHOWN AND REFERRED TO AS "PARCEL A" ON THE BOUNDARY SURVEY PLAT OF TRACT C, VIDEO ADDITION AND PARCELS OF LAND OWNED BY THE STATE OF NEW MEXICO, RECORDED WITH THE COUNTY CLERK OF BERNALILLO COUNTY ON FEBRUARY 12, 2020, IN BOOK 2020S, PAGE 14, AS DOC NO 2020013489,

AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS

BEGINNING AT THE NORTHWEST CORNER OF THE HEREIN DESCRIBED PARCEL, ALSO BEING THE NORTHEAST CORNER OF TRACT A-1-B, BELLAMAH'S CENTRAL ADDITION, AS THE SAME IS SHOWN AND DESCRIBED ON SAID PLAT, FILED IN THE OFFICE OF THE COUNTY CLERK OF BERNALILLO COUNTY, NEW MEXICO, ON SEPTEMBER 28, 2020, IN BOOK 2020C, PAGE 95, AND BEING MARKED BY A REBAR WITH TAG "LS 11993",

THENCE, FROM SAID POINT OF BEGINNING,

S 87°17'57" E, A DISTANCE OF 300 14 FEET TO THE NORTHEAST CORNER OF THE HEREIN DESCRIBED PARCEL, ALSO BEING THE NORTHWEST CORNER OF TRACT B, BELLAMAH'S CENTRAL ADDITION, AS SHOWN AND DESCRIBED ON SAID PLAT FILED IN THE OFFICE OF THE COUNTY CLERK OF BERNALILLO COUNTY, NEW MEXICO, ON MARCH 23, 1978, IN BOOK D8, PAGE 98, AND BEING MARKED BY A 1/2" REBAR, THENCE,

S 00°56'12" W, A DISTANCE OF 345 78 FEET TO THE SOUTHEAST CORNER OF THE HEREIN DESCRIBED PARCEL, ALSO BEING THE SOUTHWEST CORNER OF SAID TRACT B, POINT LYING ON THE NORTHERLY RIGHT OF WAY OF CENTRAL AVENUE NE, AND BEING MARKED BY A 1 INCH PIPE, THENCE, COINCIDING WITH SAID RIGHT OF WAY,

N 82°15'59" W, A DISTANCE OF 302 00 FEET TO THE SOUTHWEST CORNER OF THE HEREIN DESCRIBED PARCEL, BEING REFERENCED BY A CHISELED "X" FOUND N 00°54'59" E, A DISTANCE OF 3.29 FEET FROM TRUE CORNER, THENCE, LEAVING SAID RIGHT OF WAY,

N 00°54'59" E, A DISTANCE OF 319 27 FEET TO THE POINT OF BEGINNING

APPENDIX B

FEDERAL CONTRACT REQUIREMENTS FOR CONTRACTS FUNDED THROUGH THE ARPA US DEPARTMENT OF THE TREASURY CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

Section 602(b) and 603(b) of the Social Security Act as added by Section 9901 of the American Rescue Plan Act, Pub. L. No. 117-2 (March 11, 2021): Requirements of US Department of Treasury, Coronavirus State and Local Fiscal Recovery, ARPA Funds

Maintenance of and Access to Records

(1) Sub-recipient shall maintain records and financial documents sufficient to allow the City to evidence compliance with section 603(c) of the Act, Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.

(2) The Treasury Office of Inspector General, the Government Accountability Office, and the Pandemic Relief Accountability Committee, or any of their authorized representatives, shall have the right of access to records (electronic and otherwise) of Sub-recipient and the City in order to conduct audits or other investigations.

(3) Records shall be maintained by Sub-recipient for a period of five (5) years after all funds have been expended or returned to Treasury, whichever is later.

Conflict of Interest

Sub-recipient understands and agrees it must maintain a conflict of interest policy consistent with 2 CFR § 200.318 (c) and that such conflict of interest policy is applicable to each activity funded under this award. Sub-recipient must disclose in writing to Treasury or the City, as appropriate, any potential conflict of interest affecting the awarded funds in accordance with 2 CFR § 200.112.

Compliance with Applicable Law and Regulations

Sub-recipient agrees to comply with the requirements of section 603 of the Act, regulations adopted by Treasury pursuant to section 603(f) of the Act, and guidance issued by Treasury regarding the foregoing. Sub-recipient also agrees to comply with all other applicable federal statutes, regulations, and executive orders, and Sub-recipient shall provide for such compliance by other parties in any agreements it enters into with other parties relating to this award. Federal regulations applicable to this award include, without limitation, the following:

(1) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200, other than such provisions as Treasury may determine are inapplicable, and subject to such exceptions as may be otherwise provided by Treasury. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.

(2) Universal Identifier and System for Award Management (SAM). 2 CFR Part 25, pursuant to which the award term set forth in Appendix A to 2 CFR Part 25 is hereby incorporated by reference.

(3) Reporting Subaward and Executive Compensation Information, 2 CFR Part 170, pursuant to which the award term set forth in Appendix A to 2 CFR Part 170 is hereby incorporated by reference.

(4) OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement), 2 CFR Part 180, including the requirement to include a term or condition in all lower tier covered transactions

(contracts and subcontracts described in 2 CFR Part 180, subpart B) that the award is subject to 2 CFR Part 180 and Treasury's implementing regulation at 31 CFR Part 19.

(5) Recipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 CFR Part 200, Appendix XII to Part 200 is hereby incorporated by reference.

(6) Governmentwide Requirements for Drug-Free Workplace, 31 CFR Part 20.

(7) New Restrictions on Lobbying, 31 CFR Part 21.

(8) Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 USC §§ 4601-4655) and implementing regulations.

(9) Generally applicable federal environmental laws and regulations.

Statutes and Regulations Prohibiting Discrimination

Statutes and regulations prohibiting discrimination applicable to this award include, without limitation, the following:

(1) Title VI of the Civil Rights Act of 1964 (42 USC §§ 2000d et seq.) and Treasury's implementing regulations at 31 CFR Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance.

(2) The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 USC §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability.

(3) Section 504 of the Rehabilitation Act of 1973, as amended (29 USC § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance.

(4) The Age Discrimination Act of 1975, as amended (42 USC §§ 6101 et seq.), and Treasury's implementing regulations at 31 CFR Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance.

(5) Title II of the Americans with Disabilities Act of 1990, as amended (42 USC §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

Compliance with Civil Rights Requirements

The sub-grantee (Sub-recipient), contractor, subcontractor, successor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 USC § 2000d et seq.), as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this contract or agreement. Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 USC § 2000d et seq., as implemented by the Department of Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this contract or agreement.

Denying a person access to programs, services, and activities because of Limited English Proficiency (LEP) is a form of national origin discrimination prohibited under Title VI of the Civil Rights Act of 1964 and the Department of Treasury's implementing regulations.

The Sub-recipient will have policies and procedures to address violations and complaints of violations of Title VI. The Sub-recipient will cooperate with any enforcement or compliance review activities by the City or the Treasury, including investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. The Sub-recipient shall comply with information requests, on-site compliance reviews and reporting requirements.

The Sub-recipient will maintain a complaint log and inform the City of any complaints of discrimination on the grounds of race, color, or national origin, and limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, pending or completed, including outcome.

False Statements

Sub-recipient understands that making false statements or claims in connection with this award is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or contracts, and/or any other remedy available by law.

Publications

Any publications produced with funds from this award must display the following language: "This project [is being] [was] supported, in whole or in part, by federal award number [enter project FAIN] awarded to the City by the US Department of the Treasury."

Disclaimer

The United States expressly disclaims any and all responsibility or liability to the City, Sub-recipient, or third persons for the actions of the City, Sub-recipient or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any other losses resulting in any way from the performance of this award or any contract, or subcontract under this award.

Increasing Seat Belt Use in the United States

Pursuant to Executive Order 13043, 62FR 19217 (Apr. 18, 1997), the City encourages the Sub-recipient to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.

Reducing Text Messaging While Driving

Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 6, 2009), the City encourages the Sub-recipient to adopt and enforce policies that ban text messaging while driving, and the Sub-recipient should establish workplace safety policies to decrease accidents caused by distracted drivers.

2 CFR Part 200, Appendix II, Contract Requirements	Applicable to:
<p data-bbox="107 128 548 163">Equal Employment Opportunity</p> <p data-bbox="107 201 1078 237">During the performance of this contract, the Sub-recipient agrees as follows:</p> <p data-bbox="107 275 1122 527">(1) The Sub-recipient will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Sub-recipient will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:</p> <p data-bbox="107 564 1117 783">Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Sub-recipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.</p> <p data-bbox="107 821 1130 968">(2) The Sub-recipient will, in all solicitations or advertisements for employees placed by or on behalf of the Sub-recipient, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.</p> <p data-bbox="107 1005 1130 1444">(3) The Sub-recipient will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Sub-recipient's legal duty to furnish information.</p> <p data-bbox="107 1482 1117 1701">(4) The Sub-recipient will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Sub-recipient's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.</p> <p data-bbox="107 1738 1117 1850">(5) The Sub-recipient will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.</p> <p data-bbox="107 1887 1084 1955">(6) The Sub-recipient will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and</p>	<p data-bbox="1166 128 1386 128">Applicable to:</p> <p data-bbox="1166 128 1503 306">All contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3</p>

orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the Sub-recipient's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Sub-recipient may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The Sub-recipient will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Sub-recipient will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a Sub-recipient becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Sub-recipient may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to

<p>Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.</p>	
<p>Davis Bacon Act</p> <p>The Sub-recipient agrees to place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or sub-contract must be conditioned upon the acceptance of the wage determination. The Sub-recipient must report all suspected or reported violations to the City, who will report the same to the federal awarding agency.</p> <p>All transactions regarding this contract shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) and the requirements of 29 CFR Part 5, as applicable.</p> <p>Sub-recipient is required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in wage determination made by the Secretary of Labor. Additionally, Sub-recipient is required to pay wages not less than once a week.</p>	<p>All prime construction contracts in excess of \$2,000 awarded by non-Federal entities</p>
<p>Copeland Anti-Kickback Act</p> <p>Sub-recipient shall comply with 18 U.S.C. §874, 40 U.S.C. §3145, and the requirements of 29 CFR Part 3 as may be applicable, which are incorporated by reference into this contract.</p> <p>The Sub-recipient or subcontractor shall insert in any subcontracts the clause above and such other clauses as Treasury or other applicable federal agency may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor with all of these contract clauses.</p> <p>A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor or subcontractor as provided in 29 CFR §5.12.</p>	<p>Applicable for construction work over \$2,000</p>
<p>Contract Work Hours and Safety Standards Act</p> <p>Overtime requirements: No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.</p>	<p>Applicable for contracts over \$100,000 that involve mechanics or laborers</p>

<p>Violation; liability for unpaid wages; liquidated damages: In the event of any violation of the clause set forth in paragraph (b)(1) of this section, the Sub-recipient or any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States, for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section.</p> <p>Withholding for unpaid wages and liquidated damages: The City shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Sub-recipient or subcontractor under any such contract or any other federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.</p> <p>Subcontracts: The Sub-recipient or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of 29 CFR §5.5, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of 29 CFR §5.5.</p>	
<p>Rights to Inventions Made under a Contract or Agreement</p> <p>If the award meets the definition of “funding agreement” under 37 CFR §401.2(a) and the City wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the City must comply with the requirements of 37 CFR Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements), and any implementing regulations issued by Treasury or other applicable federal agency.</p>	<p>Applicable to funding agreements un 37 CFR 401.2(a)</p>
<p>Clean Air Act and Federal Water Pollution Control Act</p> <p>The Sub-recipient agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §7401 <i>et seq.</i></p> <p>The Sub-recipient agrees to report each violation to the City and understands and agrees that the City will, in turn, report each violation as required to assure notification to Treasury or other applicable federal agency, and the appropriate Environmental Protection Agency Regional Office.</p> <p>The Sub-recipient agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with federal assistance provided by Treasury or other applicable federal agency.</p>	<p>Applicable to contracts over \$150,000</p>

<p>Debarment and Suspension</p> <p>This Agreement is a covered transaction for purposes of 2 CFR Part 180 and 2 CFR Part 3000. As such, the Sub-recipient is required to verify that none of the Sub-recipient's principals (defined at 2 CFR §180.995) or its affiliates (defined at 2 CFR §180.905 are excluded (defined at 2 CFR §180.940) or disqualified (defined at 2 CFR §180.935).</p> <p>Sub-recipient must comply with 2 CFR Part 180, subpart C and 2 CFR Part 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.</p> <p>This certification is a material representation of fact relied upon by the City. If it is later determined that the Sub-recipient did not comply with 2 CFR Part 180, subpart C and 2 CFR Part 3000, subpart C, in addition to remedies available to the City, the federal government may pursue available remedies, including but not limited to, suspension and/or debarment.</p> <p>The bidder or proposer agrees to comply with the requirements of 2 CFR Part 180, subpart C and 2 CFR Part 3000, subpart C, while this offer is valid and throughout the period of any contract that may arise from this offer. This bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.</p>	<p>Applicable to all contracts:</p> <p>1) over \$25,000, 2) requiring federal agency approval, 3) for federally required audit services, or 4) a subcontract meeting requirement 1 or 2]</p>
<p>Byrd Anti-Lobbying Amendment</p> <p>Sub-recipients who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. §1352. Each tier shall also disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certifications to the awarding agency.</p> <p>If the Agreement exceeds \$100,000, the Sub-recipient must certify compliance with the Byrd Anti-Lobbying Amendment.</p>	<p>Applicable to all contracts; contracts over \$100,000 must certify compliance (see attachment)</p>
<p>Procurement of Recovered Materials</p> <p>In the performance of this Agreement, the Sub-recipient shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired:</p> <ol style="list-style-type: none"> 1. Competitively within a time frame providing for compliance with the Agreement performance schedule; 2. Meeting Agreement performance requirements; or 3. At a reasonable price. <p>Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program.</p>	<p>Applicable to state or political subdivision of the state, if the purchase price of an item exceeds \$10,000 (including value of item acquired over the year)</p>

<p>The Sub-recipient also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.</p>	
<p>Prohibition on Telecommunications/Surveillance</p> <p>§ 200.216 Prohibition on certain telecommunications and video surveillance services or equipment.</p> <p>(a) Recipients and sub recipients are prohibited from obligating or expending loan or grant funds to:</p> <p>(1) Procure or obtain;</p> <p>(2) Extend or renew a contract to procure or obtain; or</p> <p>(3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).</p> <p>(i) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).</p> <p>(ii) Telecommunications or video surveillance services provided by such entities or using such equipment.</p> <p>(iii) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.</p> <p>(b) In implementing the prohibition under Public Law 115-232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.</p> <p>(c) See Public Law 115-232, section 889 for additional information.</p> <p>(d) See also § 200.471.</p>	<p>Applicable to all contracts</p>
<p>Preference for Domestic Procurements</p>	<p>Applicable to all contracts</p>

§ 200.322 Domestic preferences for procurements.

(a) As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

(b) For purposes of this section:

(1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

(2) "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.



**City of Albuquerque
Department of Health, Housing & Homelessness
Community Development Division**

**Request for Proposals from Non-Profit or Governmental Agencies for
Affordable Housing Development for Fiscal Year 2024**

RFP Number: RFP-2024-600--RG

REQUEST FOR PROPOSALS

Contents:

- 1.0 Background**
- 2.0 Purpose, Deadline and Submission Method**
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1.0 Background

The City of Albuquerque has established priorities for funding and they include the following goals:

Goal 1: Human and Family Development: People of all ages have the opportunity to participate in the community and economy and are well sheltered, safe, healthy, and educated.

Goal 2: Public Safety: The public is safe and secure, and shares responsibility for maintaining a safe environment.

The Department of Health, Housing & Homelessness (HHH), (formerly Department of Family and Community Services) mission is to provide quality health and social services, affordable housing development and opportunities, and homeless services to improve the quality of life for the entire Albuquerque Community.

In addition, the Department of Health, Housing & Homelessness has established a priority to fund projects that address the Social Determinants of Health to achieve greater well-being and equity for all. Substantial evidence confirms the link between social, economic and physical conditions and health outcome disparities. Social Determinants of Health include access to healthcare services, availability of services to support housing and behavioral health stability, lifelong education options, public safety and social services¹.

The City of Albuquerque Department of Health, Housing & Homelessness adopted a process to solicit and review project proposals through the promulgated rule update October 10, 2019, as specified in the [*FCS Social Services Contracts Procurement Rule*](https://www.cabq.gov/family/partner-resources/request-for-proposals) available on the Department's website at <https://www.cabq.gov/family/partner-resources/request-for-proposals>.

Funds for projects in this RFP are subject to final approval of the City Council and availability of City General Funds and where applicable, receipt of state and/or federal grant funds.

1.1 City Acknowledgement of Federal Funding

A contract awarded pursuant to this RFP will include federal funds as follows: 100% of the total funds (\$4,000,000), allocated by this RFP are financed with federal funds from the U.S. Department of the Treasury, American Rescue Plan Act (ARPA), Coronavirus State and Local Fiscal Recovery Funds (CSLFRF), and any applicant awarded funds under this RFP must comply with the requirements of the federal funds, attached hereto as **APPENDIX E**.

2.0 Purpose, Deadline and Submission Method

The purpose of this Request for Proposals (RFP) is to solicit effective proposals from qualified non-profit organizations and government entities interested in developing a multi-family rental project that is affordable to low and moderate households and will leverage the 4% Low Income Housing Tax Credits (LIHTC) program.

Proposals will be accepted until **4:00 p.m. MST on July 1, 2024** and must be submitted online through the City's Bonfire portal at: <https://cabq.bonfirehub.com/portal/?tab=openOpportunities>

¹ U.S. Department of Health and Human Services. Healthy People 2020 "Social Determinants of Health." 2015

In order to submit, responders must be registered in the Bonfire system. Registration takes some time to complete. It is recommended responders register in advance of the deadline as late proposals will not be accepted. For information on how to access and interact with Bonfire, please visit <https://cabq.bonfirehub.com/portal/support> or contact support@gobonfire.com

3.0 Administrative Requirements and Guiding Regulations

Potential responders to this RFP are strongly advised to become familiar with the content of the most current version of the publication entitled *Administrative Requirements for Social Services Contracts Awarded Under the City of Albuquerque* (hereinafter referred to as the “*Administrative Requirements*”). The publication contains uniform administrative rules for contracts awarded pursuant to the Department’s Social Services Program. Contractors are expected to understand and comply with all applicable rules contained within the publication, including but not limited to, appropriate accounting software systems producing a general ledger; adequate documentation retention of payables and receivables; and a payroll reporting system that demonstrates approval of timesheets and labor distribution reports.

The *Administrative Requirements* are available on the Department’s website at <https://www.cabq.gov/family/partner-resources/request-for-proposals>.

Certain priority areas detailed below may also be required to comply with applicable sections of the most recent version of the [Albuquerque Minimum Standards for Substance Abuse Treatment and Prevention Services](https://www.cabq.gov/family/partner-resources/request-for-proposals) (hereinafter referred to as the “*Minimum Standards*”), depending on the proposal. Contractors are expected to understand and comply with all applicable rules contained within the publication. The *Minimum Standards* are available on the Department’s website at <https://www.cabq.gov/family/partner-resources/request-for-proposals>

4.0 Outcome Measures and Scope of Services

4.1 Outcome Measures and Social Determinants of Health

The City of Albuquerque is focused on improving the well-being of all people and has identified racial equity as a priority goal to address longstanding, racially disparate economic and social outcomes. In addition, the Department of Health, Housing & Homelessness prioritizes investment in services that can demonstrate improved outcomes related to the customer’s needs.

The City of Albuquerque Department of Health, Housing & Homelessness is committed to providing cost effective services that will improve the well-being of participants and Albuquerque as a whole. Respondents will be required to participate in evaluation activities that will be designed to protect individual privacy and aligned with the service delivery.

The Department of Health, Housing & Homelessness has established a priority to fund projects that lead to improved outcomes to 1) Increase Behavioral Health Stability, 2) Increase Housing Stability, 3) Increase Public Safety, 4) Increase Individual and Family Resilience, and 5) Seniors are Able to Age with Dignity. This involves a focus on addressing the Social Determinants of Health to achieve greater well-being and equity for all. Substantial evidence confirms the link between social, economic and physical conditions and health outcome disparities. Social Determinants of Health include access to healthcare services, availability of services to support housing and behavioral health stability, lifelong education options, public safety and social services². Entities contracting with the Department of Health, Housing & Homelessness may be expected to collect Social Determinants of Health data in a uniform manner to inform the City and public on unmet needs that need attention and aggregate progress of city-funded services.

Community Building

In addition to the above outcomes, the City is dedicated to helping all our residents and neighborhoods to be their best selves. Contractors are expected to engage with the community and build productive relationships with their neighbors as they provide services to improve outcomes for all of Albuquerque. Examples include, but are not limited to, joining the local Neighborhood Association, updating neighbors on services and progress, maintaining their surroundings as clean and litter free, reminding participants to maintain respect of the neighborhood and promptly responding to any 311 inquiries.

4.2 Scopes of Services

This request for proposals is focused on closing the financial gap for developing two or more multi-family rental projects that are affordable to low and moderate income households at or below 80% of the Area Median Income (AMI). Projects must abide by the *Income and Rent Limits* for Albuquerque published by the U.S. Department of Housing and Urban Development referenced in **APPENDIX F** and will leverage either the 4% or 9% Low Income Housing Tax Credits (LIHTC).

The percentage of units affordable to low- and moderate-income households must meet these minimum criteria, in order to be aligned with LIHTC program requirements:

- At least 20% of the Units in the Project will be rent-restricted to and occupied by households whose income is at or below 50% of the AMI
- At least 40% of the Units in the Project will be rent-restricted to and occupied by households whose income is at or below 60% of the AMI

Additionally, this RFP prioritizes affordable housing projects that serve Seniors (age 55+) and therefore, will provide preference points in **APPENDIX C** for proposed *Senior*

² U.S. Department of Health and Human Services. Healthy People 2020 “Social Determinants of Health.” 2015

communities that will provide at least 50 income-restricted units for this populations.

The selected Applicant will comply with all applicable statutory and/or regulatory requirements, including but not limited to:

- Administrative Requirements for Contracts Awarded Under the City of Albuquerque HHH
- City of Albuquerque's Social Services Contracts Procurement Rules and Regulations
- Integrated Development Ordinance (IDO) and the drainage requirements for developing an Affordable Housing parcel, exclusive of any other adjacent parcel; and
- Any applicable Federal or State statutory and/or regulatory requirements.

4.2.1 Amount Available

The City of Albuquerque's Department of Health, Housing & Homelessness (HHH) will act as a pass-through entity for the **State of New Mexico**, which has provided up to **\$4,000,000** of Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) from U.S. Department of Treasury in accordance with the American Rescue Plan Act. These funds have been allocated by the City towards the gap financing for new construction or acquisition/rehabilitation of one (1) or more multi-family housing development projects within the Albuquerque City limits. Given the urgent need to allocate these past-through funds in a timely manner, the City plans to fund projects which have been burdened by the rising costs associated with construction. Therefore, it is up to applicants to identify the gap financing necessary to keep a LIHTC project viable.

4.3 Service Period

Services funded by this RFP are to commence upon execution of this agreement and continue through the term of construction and occupancy of the development.

5.0 Eligible Responders

5.1 General Eligibility

An agency which is a unit of state or local government and/or an agency currently incorporated as a nonprofit corporation, duly registered and in good standing with the State of New Mexico Secretary of State, which has not-for-profit status under 501(c)(3) of the U.S. Internal Revenue Service Code and which has demonstrated capability in providing the services for which it is applying is an eligible responder for award of a contract pursuant to this RFP. Basic eligibility requirements are identified in the [*Administrative Requirements for Social Services Contracts Awarded Under the City of Albuquerque*](#) (*Administrative Requirements*), § 10 (A)(1).

Ineligible entities as defined in Section 7 (C) of the [*Social Services Contracts Procurement Rules*](#) of the Department are restricted from submitting a proposal.

Entities that have had an Agreement terminated by the City for cause for a period of two (2) years beyond the date of Agreement termination, are not eligible to submit a proposal, unless such entities request and receive written authorization of eligibility from the Director of the Department, based upon adequate, written justification for allowing an exception. Such written justification will include an explanation of how the previous cause for termination will not impact the project for which funding is being requested due to specific remedial actions taken by the entity. The written request and Director determination shall be maintained on file with the relevant RFPs, RFQs and/or contracts within the two-year timeline.

Ineligible entities as defined in Section 7 (C) of the [*Social Services Contracts Procurement Rules*](#) of the Department are restricted from submitting a proposal.

The *Administrative Requirements* and *Social Services Contracts Procurement Rules* are available on the Department's website at <https://www.cabq.gov/family/partner-resources/request-for-proposals>

5.2 Affordable Housing Development Capacity

An applicant must demonstrate capacity, experience and commitment to develop, own, and operate affordable housing, including a stated housing mission in its organizational documents.

Applicants that lack capacity or direct experience in these areas may demonstrate capacity by partnering with an entity that provide essential expertise to the project. In these cases, HHH will evaluate the proposed partnership to ensure it meets the needs of the project and is sustainable for an appropriate length of time. Applicants may partner with a for-profit entity. The Applicant must hold a 51% or greater interest in a Partnership. The Applicant must materially participate in the Project, meaning that the organization must be involved on a regular, continuous and substantial basis in both the development and operation of the Project during the term of the Compliance Period. The Applicant must receive a minimum of 10% of the developer fee as identified in the project budget.

5.3 Limitations on Assistance to Primarily Religious Organizations

Contractors are required to assure that no funds awarded through the program will be used for sectarian religious purposes. Independent, not-for-profit entities established by primarily religious organizations, however, may be assisted as long as: a) there is no religious test for admission for services; b) there is no requirement for attendance at religious services; c) there is no inquiry as to a client's religious preference or affiliation; d) there is no proselytizing; and e) services provided are secular and non-sectarian. See *Administrative Requirements*, § 10 (C) (4) (c). This provision does not prohibit a primarily religious organization from carrying out the eligible activities as long as such activities are carried out in a manner free from religious influences pursuant to conditions prescribed in the Representations and Certifications form (Appendix #8) attached to this RFP and required as an attachment to the responder's proposal.

5.4 Minority and Women's Business Enterprises § 5-6-1 *et seq.* ROA 1994

It is the policy of the City to take affirmative action to assure that a fair share of City purchases of goods and services is made from enterprises owned and controlled by minorities and women.

As part of this policy, the City undertakes to assure there are no undue or unnecessary requirements imposed by the City that inhibit or prevent purchases of goods and services from businesses that are otherwise qualified to provide such goods and services. It is further City policy to impose similar affirmative action upon prime contractors providing goods and services to the City with regard to subcontractors involved in such work to assure a fair share of business for minority and women's business enterprises.

As part of the above-described policy, the City shall directly solicit bids and offers of goods and services from minority and women's business enterprises to the extent necessary to ensure that they are aware of the opportunities in this RFP. § 5-6-6 ROA 1994. The City uses the following website to identify minority and women's business enterprises, and solicits bids from the enterprises identified: https://web.sba.gov/pro-net/search/dsp_dsbs.cfm.

In addition to the requirements of § 5-6-1 *et seq.* ROA 1994, the City will implement and fulfill any Federal requirements applicable to the City with regard to minority and women's business enterprises. § 5-6-10 ROA 1994.

5.5 Pay Equity Documentation.

All bids and proposals shall include a Pay Equity Reporting Form or Certificate which can be accessed at <https://www.cabq.gov/gender-pay-equity-initiative> or in the Solicitation Instructions. Offerors who believe they are exempt because they are an out-of-state contractor that has no facilities and no employees working in New Mexico are not required to report data, but must still submit a Pay Equity Reporting Form with the box verifying their exempt status checked. **Any Proposal that does not include a Pay Equity Reporting Form or Certificate shall be deemed nonresponsive**, as stated in the Public Purchases Ordinance, 5-5-31 (A). NOTE: **THE PAY EQUITY REPORTING FORM REQUIRED BY THIS PROVISION IS NOT A PAY EQUITY CERTIFICATE, NOR DOES IT QUALIFY YOU FOR THE PAY EQUITY PREFERENCE.** PAY EQUITY CERTIFICATES ARE AUTOMATICALLY ISSUED TO QUALIFYING VENDORS WITHIN TWO BUSINESS DAYS OF SUBMITTING THE PAY EQUITY REPORTING FORM. PLEASE VISIT THE WEBSITE LISTED ABOVE WITH QUESTIONS.

5.6 ADA Compliance

Contractors must agree to meet all the requirements of the Americans with Disabilities Act of 1990 (ADA), and all applicable rules and regulations which are imposed directly on the Contractor or which would be imposed on the City as a public entity. The Contractor must agree to be responsible for knowing all applicable requirements of the ADA.

5.7 Additional Requirements

a. Personnel Policies:

Organizations applying for a contract under this solicitation must have a written set of personnel policies and procedures that have been formally adopted by its governing board. This document must specify policies governing terms and conditions for employment; compensation and fringe benefits; holidays, vacation and sick leave; conflict of interest; travel reimbursement; and employee grievance procedures.

b. Conflict of Interest Policies:

Organizations submitting proposals under this solicitation must have in force a written conflict of interest policy that at a minimum:

- i. Applies to the procurement and disposition of all real property, equipment, supplies, and services by the agency and to the agency's provision of assistance to individuals, businesses, and other private entities.
- ii. Provides that no employee, board member, or other person who exercises any decision-making function with respect to agency activities may obtain a personal or financial benefit from such activities for themselves or those with whom they have family or business ties during their tenure with the agency or for one year thereafter.

c. Accounting Policies:

Responder organizations must have in place a set of financial, accounting, and procurement policies and procedures that meet the standards established by the City in the *Administrative Requirements*, §13, Accounting for HHH Social Services Contract Funds.

d. Active Board:

Nonprofit responders must be able to document that its governing board is constituted in compliance with approved bylaws and that it actively fulfills its responsibilities for policy direction, including regularly scheduled meetings for which minutes are kept. The organization must verify board compliance with the City Open Meeting ordinance ROA, 1994, §2-5-1, et. seq.

e. Nepotism:

The organization shall not employ “immediate family” or any “close relative” of any board member, officer or managing employee and shall not employ any two people who are immediate family or close relatives of each other. See definitions contained in the *Administrative Requirements*, § 10 (A)(3)(c).

f. Background Checks:

If the Social Services provided require the contractor selected through this RFP to work with or be in proximity to children, or other vulnerable populations, the

contractor will not employ any person or volunteer who is registered as a sex offender in any United States jurisdiction, or who has a criminal background unacceptable to the City. The contractor shall ensure that all its employees, interns and volunteers directly involved in performing services have been screened for a criminal background and reference checks, finger-printing, and interviews. See *Administrative Requirements*, § 10 (A)(2).

g. Reporting Requirements

The final contract between the successful responder(s) and the City will contain specific reporting requirements that include, but may not be limited to, quarterly program data and data regarding outcomes for program participants. A critical component of initiatives funded through the City of Albuquerque, Department of Health, Housing & Homelessness will be a rigorous evaluation to determine program success and cost-effectiveness. Selected Offerors must comply with participant data reporting requirements conducted by the City or evaluation and research partners as part of ongoing evaluation activities.

6.0 Eligible Beneficiaries

Programs supported, in whole or in part, with funding awarded as a result of this RFP must be targeted to residents of Albuquerque.

7.0 Technical Assistance

It is the responsibility of the Offeror to stay up to date with any clarifications to this RFP that will be issued through the bonfire portal.

Technical Assistance will be provided through the Bonfire eProcurement system. **No RFP correspondence with City staff is permitted outside of the Bonfire portal.** Requests for technical assistance must be submitted through the Bonfire portal up until ten calendar days prior to submission deadline. Questions and Answers will be made public within the Bonfire portal for all interested to review.

An **optional** pre-proposal meeting is scheduled for Wednesday, June 5, 2024 at 10:00 am local time, virtually via Zoom through the following link or by dialing: +1 669 900 6833; Join Zoom Meeting <https://cabq.zoom.us/j/88900589114> Meeting ID: 889 0058 9114

8.0 Instructions for Completing Proposal

8.1 Proposal Format

Proposals will be submitted through the City's Bonfire eProcurement portal and must address all required areas listed in this section, in the order requested.

8.2 APPENDIX A – Application. Responders must complete the attached **APPENDIX A** and respond to the following:

Section 1: Applicant Information- respond to requested data fields in this section.

Section 2: Project Information- respond to requested data boxes/fields in this section.
Section 3: Threshold Criteria- respond in a Narrative form. Any supporting evidence cited in the Narrative should be provided in **APPENDIX D – Supporting Documentation**.
Section 4: Scored Criteria- respond in a Narrative form. Any supporting evidence cited in the Narrative should be provided in **APPENDIX D – Supporting Documentation**.
Section 5: Disclosures, Release of Information, and Certification- respond to all data fields and signature by an authorized official of the governmental agency or of the policy board of a non-profit agency to whom agency staff are responsible must sign the form (electronic signatures are acceptable).

8.3 APPENDIX B – Multifamily Underwriting Template (Project Budget Schedules). Applicant must complete all spreadsheets tabbed in APPENDIX B, which contains relevant project financial information necessary to underwrite the project.

8.4 APPENDIX C – Project Scoring Matrix. Applicant must complete APPENDIX C for the proposed project. APPENDIX C will be utilized by City staff to evaluate the Threshold Criteria and Scored Criteria listed. There is also an *Applicant Checklist Section* that allows applicants to Self-Score, compare narrative responses and their supporting evidence submitted to Threshold Criteria and Scored Criteria.

8.5 APPENDIX D – Supporting Documentation. This will be an empty folder in the Bonfire eProcurement portal for the applicant to submit any necessary evidence cited in the other appendices. Documents may include but not be limited to: agreements, letters, resumes, architectural plans, studies, assessments, audits, by-laws, policies, procedures, examples, etc. Although there may not be a stated limit on number of documents or format type, please refer to the Bonfire system for more information.

9.0 Although not required with the application, should a project receive an award it must comply with the following City requirements and will be required to in the terms of the awarded contract.

9.1 Insurance Requirements

All contractors selected pursuant to this RFP will be required to procure and maintain, through the life of each of their contracts, a commercial general liability and an automobile liability insurance policy with limits detailed below. If any part of the contract is sublet, the contractor must include the subcontractor in its coverage or require the subcontractor to obtain all necessary coverage. Policies must be written by companies authorized to write such insurance in the State of New Mexico.

A. Commercial General Liability Insurance (“CGL”): A CGL insurance policy with combined limits of liability for bodily injury or property damage as follows:

\$ 2,000,000	Per Occurrence
\$ 2,000,000	Policy Aggregate
\$ 1,000,000	Products Liability/Completed Operations
\$ 1,000,000	Personal and Advertising Injury
\$ 5,000	Medical Payments

The CGL insurance policy must include coverage for all operations performed for the City by the Contractor, and the contractual liability coverage shall specifically insure the hold harmless provisions of the City's contract with the Contractor. The City shall also be listed as an "additional insured" by endorsement onto the CGL policy. Proof of this additional insured relationship shall be evidenced on the Certificate of Insurance (COI) and on the insurance endorsement.

B. Commercial Automobile Liability Insurance ("CAL"): A CAL policy with not less than a \$1,000,000 combined single limit of liability for bodily injury, including death, and property damage in any one occurrence. The CAL policy must include coverage for the use of all owned, non-owned, and hired automobiles, vehicles and other equipment both on and off work. This CAL policy cannot be a personal automobile liability insurance policy as most personal automobile liability policies exclude coverage for work related losses.

C. Workers' Compensation Insurance: Workers' Compensation Insurance for the Contractor's employees when required by, and in accordance with, the provisions of the Workers' Compensation Act of the State of New Mexico ("Act"). The Contractor must have three (3) or more employees to trigger the Act's workers' compensation insurance requirement. Per the Act, this number includes the owner of the business. If the Contractor is not required to carry Workers' Compensation coverage, the Contractor will need to sign and return the Worker's Comp Statement enclosed in this packet.

ADDITIONAL INSURANCE COVERAGES

The following coverages should be considered based on the course and scope of the individual contract:

D. Professional Liability (Errors and Omissions) Insurance: Professional liability (errors and omissions) insurance in an amount not less than \$1,000,000 combined single limit of liability per occurrence with a general aggregate of \$1,000,000.

Professional liability insurance cannot be waived for medical directors, psychologists, psychiatrists, mental health counselors, laboratories.

E. Sexual Abuse Molestation Coverage: Sexual abuse molestation insurance in an amount not less than \$1,000,000 combined single limit of liability per occurrence with a general aggregate of \$1,000,000. This coverage should be required, unless specific circumstances that eliminate potential risks indicate otherwise, if the vendor/contractor will be working with, or in physical or virtual contact with, children under the age of 18 or a compromised client base (deaf and hard of hearing, blind, senior and older adults, persons with mental disabilities, intellectual disabilities and/or have a developmental disability).

F. Cyber Liability Coverage: Cyber liability insurance in an amount not less than \$2,000,000 combined single limit of liability per occurrence with a general aggregate of

\$2,000,000. This coverage should be required, unless specific circumstances that eliminate potential risks indicate otherwise, if the vendor/contractor may have cybernetic access to the City's confidential information, taxpayer data, information technology, personnel, healthcare, accounting, or finance systems.

Policies must include coverage for all operations performed for the City by the contractor, coverage for the use of all owned and all non-owned hired automobiles, vehicles, and other equipment both on and off work, and contractual liability coverage shall specifically insure the hold harmless provision of the contract. The City must be named an additional insured on commercial general liability and the policies must provide that 30 days written notice will be given to the City before a policy is canceled, materially changed, or not renewed.

The contractor shall ensure that all staff for whom professional liability is required by their licensing agent, including but not limited to, professionals providing health and behavioral health services, maintain professional liability insurance, errors and omissions coverage, or other additional coverages the city deems necessary, in amounts not less than required by the New Mexico Tort Claims Act as it is amended from time to time, for single limit of liability per occurrence and for the general aggregate.

The contractor must also comply with the provisions of the Worker's Compensation Act, the Subsequent Injury Act, and the New Mexico Occupational Disease Disablement Law.

During construction, if any, a contractor must maintain Builders Risk Insurance in an amount equal to the full construction cost to cover the construction work for fire, theft, extended coverage, vandalism and malicious mischief.

If, during the life of the contract, the Legislature of the State of New Mexico increases the maximum limits of liability under the Tort Claims Act (Section 41-4-1 through 41-4-27 NMSA 1978), the City may require the contractor to increase the maximum limits of any insurance required.

Proof of insurance is not a requirement for submission of a proposal, but responders should be aware that no work may begin under a contract funded through this program until the required insurance has been obtained and proper certificates (or policies) are filed with the City. Before submitting a proposal, the agency should contact its insurance agent to determine if it can obtain the required coverage.

9.2 Other Assurances:

a. Compliance with Civil Rights Laws and Executive Orders

Contractors are required to comply and act in accordance with all federal laws and Executive Orders related to the enforcement of civil rights. In addition, recipients will be required to comply with all New Mexico State Statutes and City of Albuquerque Ordinances regarding enforcement of civil rights (APPENDIX #8).

b. Assurance of Drug Free Facilities

Applicants for funding must submit an assurance that they will administer a policy designed to ensure that the assisted program is free from the illegal use, possession or distribution of drugs or alcohol by its staff and beneficiaries (APPENDIX #10).

c. Certification of Receipt of *Administrative Requirements*

Applicants for funding must submit a certification signed by an authorized board official and the organization director of receipt and adherence to the [Department Administrative Requirement for Social Services Contracts](#).

d. Audit Requirements

Contractors who expend \$750,000 or more of federal funds during the year must have an audit conducted in accordance with the Federal Government's 2 CFR Part 200 subpart F. The audit shall be made by an independent auditor in accordance with generally accepted government auditing standards. Contractors who receive \$25,000 or more in funding from the City, and who do not fall under A-133, must have a financial statement audit conducted by an independent auditor in accordance with generally accepted auditing standards. If the contractor is not subject to this requirement because it has not previously had a contract with the City, the Contractor must provide Form 990. Additional audit requirements are set out in the *Administrative Requirements*.

e. Goods Produced Under Decent Working Conditions

It is the policy of the City not to purchase, lease, or rent goods for use or for resale at City owned enterprises that were produced under sweatshop conditions. The responder certifies, by submittal of its proposal in response to this solicitation, that the goods offered to the City were produced under decent working conditions. The City defines "under decent working conditions" as production in a factory in which child labor and forced labor are not employed; in which adequate wages and benefits are paid to workers; in which workers are not required to work more than 48 hours per week (or less if a shorter workweek applies); in which employees can speak freely about working conditions and can participate in and form unions.

f. Construction Contracts and Davis-Bacon Prevailing Wages

It is the policy of the City and the U.S. Department of Housing and Urban Development (HUD), to pay adequate wages on Public Works (construction) projects. The responder represents, by submittal of its proposal in response to this solicitation, that the Project will abide by Davis-Bacon Wage Rates for HUD-funded Construction contracts and maintain/provide all compliance documents as requested by the City. Davis-Bacon and Related Acts Wage Rate information can be found at the U.S. Department of Labor website:

<https://www.dol.gov/agencies/whd/government-contracts/construction>

10.0 Compliance with Social Services Contracts Procurement Rules and Regulations

Applicants must comply with all applicable procurement rules and regulations, including, but not limited to, the City of Albuquerque Procurement Rules and Regulations for the Department of Health, Housing & Homelessness, found at:

<https://www.cabq.gov/family/partner-resources/request-for-proposals>

Applicants should also be guided by the Albuquerque Code of Ordinances, Article 5, which may be found at:

[http://library.amlegal.com/nxt/gateway.dll/New%20Mexico/albuqwin/cityofalbuquerque/newmexicocodeofordinanc?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:albuquerque_n_m_mc\\$anc=JD_TopofInfobase](http://library.amlegal.com/nxt/gateway.dll/New%20Mexico/albuqwin/cityofalbuquerque/newmexicocodeofordinanc?f=templates$fn=default.htm$3.0$vid=amlegal:albuquerque_n_m_mc$anc=JD_TopofInfobase)

11.0 Review Criteria and Scoring Process

The City's Ad Hoc committee will review and score all projects received by the deadline that meet threshold criteria. The project with the highest overall score will receive a recommendation of funding award. Depending on the funding levels requested, multiple projects may be selected. Any resources not allocated under this RFP may be rolled over into future RFPs.

HHH staff and the City's Ad Hoc Committee will use the following appendices to evaluate the proposed projects and determine if each proposal meets the intent of the RFP:

- Project Application (**APPENDIX A**); and
- Multifamily Underwriting Template (**APPENDIX B**); and
- Project Scoring Matrix (**APPENDIX C**); and
- Supporting Documentation (**APPENDIX D**).

11.1 Review Process/Deadlines

a. Preliminary Staff Review

Proposals will be initially reviewed by staff of the Department of Health, Housing & Homelessness to determine if the proposal is complete and conforms to this RFP.

Completeness means that all required forms and attachments are included and comply with the *FCS Procurement Rule* and *Administrative Requirements*. Conformity means that the proposal has been prepared according to guidelines regarding length, organization, and format as specified in section 8.0 above. Incomplete (as defined in 11.0), nonconforming or late proposals may be deemed unresponsive.

b. Review Panel

The Department Director will, in writing, approve the composition of an ad hoc committee (minimum of 3 persons) from the Department of Health, Housing & Homelessness and may include a representative(s) from affected neighborhoods, constituents, service users and/or citizens that will review all proposals. The proposals will be rated according to the review criteria specified in section 10 above. Based on these ratings, the committee will recommend contract awards and amounts

to the Director of the Department. A recommendation for award does not constitute an award of contract. The award occurs after a contract is negotiated and Approved by the City.

If, during the review process, additional information is needed regarding a proposal, the Department staff will request such information from the responder. In addition, responders may be interviewed directly as part of the review process. Agencies will be advised of the time and date of such interviews.

During evaluation, proposals submitted shall be kept confidential. The Department will use its best efforts to restrict distribution to those individuals involved in the review and analysis of the proposals, but in any event, the City shall not be liable for disclosure of any information contained in the proposals during the review process. The proposals shall be open to public inspection after award of contract.

11.2 Competitive Considerations

Proposals will be rated according to the review criteria in section 10.1 above. The Department may require responders being considered for an award to participate in interviews or other discussions to explain or verify any aspect of the proposal submitted. The Department reserves the right to reject any or all proposals. The Department may negotiate the terms of any proposal after making a recommendation of award, in order to development a contract in the best interest of the City or the target population. The Department may award more than one contract per Priority Activity.

11.3 Preferences

According to City Ordinance § 5-5-17 and § 5-5-31 ROA 1994, Public Purchases, and § 13-1-22 NMSA 1978 for resident business and Veteran business, scoring preferences are available for procurements issued with local funding sources. This RFP is funded with federal funds, and therefore, scoring preferences are not available.

11.4 RFP Appeals Process

Responders whose proposals are not selected may submit a written appeal. Letters of Appeal must be submitted and arrive in the office of the Department Director not later than ten (10) working days after receipt of the notice of non-selection. Letters must be specific as to the matter being appealed. Appeals not submitted in writing, not specific in nature, or which arrive late may not be considered. The Department Director's decision concerning the Appeal is final and will be provided within 30 days of receipt of the Appeal letter. Letters must be addressed as follows:

Gilbert Ramírez, Director
Department of Health, Housing & Homelessness
City of Albuquerque
P.O. Box 1293
Albuquerque, NM 87103

The envelope must clearly indicate:

APPEAL, HHH – Affordable Housing Development– RFP-2024-600--RG

(All Appeals will be responded to by the Department Director in writing.)

12.0 Submission Process

12.1 Submission Requirements

Submit your complete proposal including all sections listed in Section 8 using the eProcurement System at <https://cabq.bonfirehub.com/portal/?tab=openOpportunities>. Please allow a minimum of 24 hours to submit your proposal. If you do not have a username and password, please register as this is the only method to submit electronically on the Bonfire portal. Please note the City has a new eProcurement System as of September 16, 2019; please make sure to register on the new system in order to receive notices and submit a response to a bid or proposal. For assistance, please contact support@gobonfire.com.

RFP Advisory to Offerors:

Proposals must be received prior to **4:00 p.m. local time, July 1, 2024** via the City's eProcurement system, Bonfire. Proposals will not be accepted by the eProcurement system later than 4:00 p.m. local time, on **July 1, 2024** and will not be considered for award.

Entities that have had an Agreement terminated by the City for cause for a period of two (2) years beyond the date of Agreement termination, are not eligible to submit a proposal, unless such entities request and receive written authorization of eligibility from the Director of the Department, based upon adequate, written justification for allowing an exception. Such written justification will include an explanation of how the previous cause for termination will not impact the project for which funding is being requested due to specific remedial actions taken by the entity. The written request and Director determination shall be maintained on file with the relevant RFPs, RFQs and/or contracts within the two-year timeline.

12.2 Clarification

Any explanation desired by a responder regarding the meaning or interpretation of this RFP must be requested in writing not less than five (5) working days prior to the hour and date specified for the receipt of proposals to allow sufficient time for a reply to each responder before the submission of their proposals. All inquiries must be directed to the Community Services Project Manager, through the Bonfire portal. Oral explanations or instructions given before the deadline for receipt of proposals will not be binding. Any information given in writing concerning this RFP will be furnished through the Bonfire portal if such information is necessary to responders in submitting proposals on this RFP or if the lack of such information would be prejudicial to uninformed responders.

12.3 Acknowledgment of Amendments to the Request for Proposal

Receipt of an amendment to the RFP by a responder must be acknowledged (a) by signing and returning the amendment or (b) by letter. Such acknowledgment must be received prior to the hour and date specified for receipt of proposals and can be submitted as attachment to the Offer.

It is the responsibility of the Offeror to stay up to date with any clarifications or amendments to this RFP that may be posted on the Bonfire portal including addenda and information materials.

12.4 Modification

Proposals may be modified or withdrawn through the Bonfire portal provided such notice is received prior to the hour and date specified for receipt of proposals.

13.0 PROPOSAL CHECKLIST

Proposals must address all required areas listed in Section 8. Prior to submitting the proposal, Offerors are recommended to use the following checklist to ensure that the proposal contains all elements required for a complete submittal. Appendix numbers refer to the Department of Health, Housing & Homelessness forms included as attachments to this RFP.

Items in this checklist are part of the technical review of the Application, and failure to submit mandatory items may result in the Offer being deemed as non-responsive.

Additional items will be requested should your agency be recommended for award. Those items are detailed under the heading “**Requested Upon Recommendation for Award and Subsequent Contracting.**”

13.1 MANDATORY DOCUMENTS TO BE SUBMITTED

The following must be uploaded in Bonfire:

□ APPENDIX A: Rental Development Application and included appendices listed below:

- APPENDIX #8: Representations and Certifications**
- APPENDIX #9: Attachments on File for previously funded re-application**
- APPENDIX #10: Drug Free Workplace Requirement Certification Form**
- APPENDIX #11: Debarment, Suspension, Ineligibility and Exclusion Certification**
- APPENDIX #12: Certification of Receipt of Administrative Requirements**
- APPENDIX #13: Certification of Compliance with Federal Funding Requirements, Refer to Section 1.1 for further information**

- ❑ **APPENDIX #14: City of Albuquerque Preference Affidavit of Eligibility (IF APPLICABLE)**
- ❑ **APPENDIX #15: City of Albuquerque Substitute W-9**
- ❑ **APPENDIX #16: Disclosure of Lobbying Activities**
- ❑ **APPENDIX #17: Pay Equity Reporting Form**
- ❑ **APPENDIX #18: UEI Number and SAM Registration Acknowledgement**

- ❑ **APPENDIX B: Multifamily Underwriting Template**

- ❑ **APPENDIX C: Scoring Matrix**

13.2 SUGGESTED DOCUMENTS THAT MAY BE SUBMITTED

- ❑ **APPENDIX D: Any (applicable) supporting documents such as:**
 - Copy of the organization's IRS Certificate of Non-Profit Incorporation
 - Copy of the organization's Articles of Incorporation filed with the State of New Mexico
 - Copy of the organization's By-Laws.
 - Copy of the organization's Applicable Licenses
 - Copy of the organization's Listing of Current Board Members
 - Copy of the organization's Current Organization Chart
 - Copy of the organization's Travel Reimbursement Policies (if Applicable)
 - Copy of the organization's written accounting policies and procedures, which include procurement procedures.
 - Copy of the organization's personnel policies and procedures.
 - Copy of the organization's conflict of interest policy.
 - Copy of the organization's New Mexico Certificate of Good Standing
 - Copy of the organization's Job Descriptions / Résumés of Key Personnel
 - Copy of the organization's most recent audit or applicable financial statement
 - Copy of the organization's Unique Entity Identifier and SAM Registration
 - Copy of commitment letter from funding source(s)
 - Copy of lead-based paint test survey and testing results
 - Copy of summary of findings of Phase I Environmental Assessment
 - Any Applicable Maps
 - Copy of documentation of source of utility allowance calculation
 - Copy of Market Study
 - Copy of Green Building Certification
 - Any Architectural Plans, elevations, renderings, etc.
 - Any Evidence of Community Outreach
 - Written Authorization of Eligibility from the Director of the Department for entities that have had an Agreement terminated by the City for cause within last two (2) years, if applicable.
 - Acknowledgment of Amendments to the RFP, if applicable.



City of Albuquerque


Department of Health, Housing & Homelessness

Timothy M. Keller, Mayor

Interoffice Memorandum

August 2, 2024

To: Gilbert Ramírez, Director

From: Rick Giron II, Community Services Project Manager 

Subject: Recommendation of Award for Affordable Rental Housing Development Project Request for Proposals (RFP-2024-600--RG)

On June 1, 2024, our department released the **Affordable Rental Housing Development Project Request for Proposals** (RFP), RFP-2024-600--RG, to provide up to **\$4,000,000** of Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) from U.S. Department of Treasury in accordance with the American Rescue Plan Act. The scope of the RFP was for the new construction or acquisition/rehabilitation and/or preservation of multi-family housing development(s) in Albuquerque. The RFP closed on July 1, 2024 and resulted in the receipt of five (5) proposals.

The department utilized the City's eProcurement system for this RFP and all proposals were distributed to the Ad Hoc Committee. Each committee member reviewed the proposals individually. On August 1, 2024, the Ad Hoc committee reviewed the final scores for each project. There was a consensus of the committee of the final scoring averages with the highest score prevailing. The results of the project scoring averages provided by the eProcurement system are as follows:

SCORE	PROJECT	DEVELOPER	TOTAL UNITS PROPOSED	AFFORDABLE UNITS PROPOSED	AMOUNT REQUESTED
186.33	Somos Apartments	Sol Housing	70	59	\$1,000,000
185.33	Farolito Senior	Sol Housing	82	82	\$3,000,000
179	The Romero	Barelas Community Coalition (& Palindrome)	68	68	\$2,952,000
125.67	Edward Romero Terrace II	Elderly Housing Development & Operations Corporation	40	40	\$2,000,000
124.33	San Mateo Manor	Newlife Homes (& Spire Dev.)	52	52	\$2,000,000

The project application submitted by Sol Housing, titled **Somos Apartments**, scored the highest of the five proposals, with an average final score of 186.33 out of a possible 200 points. The proposed project is a mixed-use, mixed-income, new construction development that includes a total of 70 units of which, 59 units will be restricted to for senior households at 50% of the Area Median Income (AMI) or below, including 21 units restricted at 30% AMI. The remaining 11 units will be unrestricted at Market Rate. All residential units will be one-bedroom and the ground level commercial space will be approximately 1,000 square feet. The Somos Apartments project was previously awarded \$2,409,978.54 under RFP-2024-511—RG and a 2024 Low Income Housing Tax Credit (LIHTC) Award from the New Mexico Mortgage Finance Authority (MFA). The Somos project requested **\$1,000,000** to supplement the award, which will close the financing gap, so that the project can proceed.

The second project application submitted by Sol Housing titled, **Farolito Senior Community**, scored second out of the five proposals and received an average final score of 185.33 out of a possible 200 points. The proposed senior housing development is a New Construction project directly north of the Luminaria Senior Community (also a GAHP project), that would create 82 new affordable housing units. All units will be restricted at 80% of the AMI or below, including 25 Units will be restricted at 30% AMI or below, 16 units restricted at or below 50% AMI, 28 units at or below 60% AMI, and 13 units at or below 80% AMI. The units will include one and two bedrooms to serve the needs of the seniors targeted. The Farolito Senior project was previously awarded \$4,187,152 under RFP-2023-352-FCS-RG and a 2023 Low Income Housing Tax Credit (LIHTC) Award from the MFA. The Farolito project requested **\$3,000,000** to supplement the award, which will close the financing gap so that the project can proceed.

The project application submitted by Barelás Community Coalition titled, **The Romero**, scored the third out of the five proposals, with an average final score of 179 points out of a possible 200 points. The proposed mixed-use project is the new construction of 68 housing units (50 designated for seniors) to serve households at or below 60% AMI, which will include 4 live-work units, and food hall for 6 micro-restaurants. The Project proposes 37 one-bedroom, 24 two-bedroom, and 7 three-bedroom housing units. The Romero project requested **\$2,952,000**, as the *local contribution* to apply for 9% LIHTC from the MFA.

The project application submitted by Elderly Housing Development & Operations Corporation (EHDOC), titled **Edward Romero Terrace II**, scored fourth out of the five proposals, with an average final score of 125.67 out of a possible 200 points. The proposed project is the new construction of 40 senior housing units to serve households at or below 60% AMI. The Project proposes all one-bedroom units. The Edward Romero Terrace II project requested **\$2,000,000** as the *local contribution* to apply for 4% LIHTC from the MFA.

The project application submitted by Newlife Homes, Inc. and Spire Development, Inc., titled **San Mateo Manor**, scored fifth out of the five proposals, with an average final score of 124.33 out of a possible 200 points. The proposed project is the new construction of 52 senior housing units to serve households at or below 60% AMI. The Project proposes 40 one-bedroom units and 12 two-bedroom units. The San Mateo Manor project requested **\$2,000,000** as the *local contribution* to apply for 9% LIHTC from the MFA.

(RECOMMENDATION ON FOLLOWING PAGE)




RECOMMENDATION: The RFP states that, “The project with the highest overall score will receive a recommendation of funding award. Depending on the funding levels requested, multiple projects may be selected.” Based on its evaluation of all proposals, the Ad Hoc Committee recommends that the two highest scoring projects receive awards:

- 1. The **Somos Apartments project should be awarded \$1,000,000 of CSLFRF**
- 2. The **Farolito Senior project should be awarded \$3,000,000 of CSLFRF**

The Ad Hoc Committee is confident that both the Somos Apartments and Farolito Senior projects address the intent of the RFP and the overall housing needs of the community. If awarded funding to the Somos Apartments project and the Farolito Senior project, there will be no funding remaining under this RFP.

If the recommendation of award is approved, department staff will notify all respondents of the results of the RFP and will begin the 10-day Appeal Period.




RECOMMENDED BY AD HOC COMMITTEE:

-  Anna Marie Lujan, Fiscal Manager
-  Tammy Jo Archuleta, Planner
-  Rick Giron, Community Services Project Manager

RECOMMENDED BY DIVISION MANAGER:

-  Monica Montoya, Community Development Manager

APPROVED:



 F9705DFAA0B2484...
Gilbert Ramirez, Director

8/2/2024 | 5:34 PM MDT

Date



Rental Development Project Application for 2024 Affordable Rental Housing Project Gap Financing Utilizing CSLFRF

June 2024

Section 1: Applicant Information

1. Applicant Information

Applicant Name: Sol Housing (fka Greater Albuquerque Housing Partnership)	
Applicant Address: 320 Gold Ave SW, Ste 918	Applicant City, State, Zip: Albuquerque, NM 87102
Applicant Contact Person: Felipe Rael	Application Date: June 28, 2024
Applicant Contact Phone Number: 505.244.1614	Applicant Contact Person email address: info@solhousing.org

2. Partnership/Borrower/Project Ownership Information

Will a partnership be formed with a not-for-profit or a for-profit? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, please complete the information below.
Name of Partnership: Farolito Apartments Limited Partnership LLLP
Address of Partnership 320 Gold Ave SW, Ste 918, Albuquerque, NM 87102
Will a sponsor loan structure to the partnership be needed? <input checked="" type="checkbox"/> Yes
Attach a copy of any developer partnership agreements, operating agreements or Memorandums of Understanding with other not-for-profits and for-profits related to this project under APPENDIX D: Supporting Documentation. Attachment: 01.02 Farolito Apartments Limited Partnership LLLP

If a partnership or LLC, name all partners and their respective percentage of ownership:	
Name	% of Ownership
RJ MT Farolito Senior L.L.C. (Limited Partner)	99.99%
Farolito Senior LLC (General Partner)	0.01%

<p>Please describe who will hold title to the completed project and the manner in which it will be held:</p> <p>Farolito Apartments Limited Partnership LLLP, a New Mexico limited liability limited partnership, by Farolito Senior LLC, its general partner, and by Sol Housing, its manager who will own 100% of the limited liability company.</p>

3. Development Team Information

The Applicant must comply with any applicable requirements in the *Administrative Requirements* regarding procurement when assembling the Development Team. The most current version of the *Administrative Requirements* may be found here: <https://www.cabq.gov/family/partner-resources/administrative-requirements>

APPLICANT	
Name: Sol Housing	Phone: 505.244.1614
Address: 320 Gold Ave SW, Suite 918, Albuquerque, NM 87102	
Contact Person: Felipe Rael	Contact Person Title: Executive Director
Contact Person Phone Number: 505.244.1614	Contact person email address: info@solhousing.org
List all owners, officers, and affiliates of the General Contractor with controlling interest or that hold percentages of equity (indicate respective percentages): N/A	

OWNER	
Name: Farolito Apartments Limited Partnership LLLP	Phone: 505.244.1614
Address: 320 Gold Ave SW, Suite 918, Albuquerque, NM 87102	
Contact Person: Felipe Rael	Contact Person Title: Executive Director
Contact Person Phone Number: 505.244.1614	Contact person email address: info@solhousing.org
List all owners, officers, and affiliates of the General Contractor with controlling interest or that hold percentages of equity (indicate respective percentages): RJ MT Farolito Senior L.L.C. 99.99% (Limited Partner) Farolito Senior LLC 0.01% (General Partner)	

GENERAL PARTNER or MANAGING MEMBER	
Name: Farolito Senior LLC	Phone: 505.244.1614
Address: 320 Gold Ave SW, Suite 918, Albuquerque, NM 87102	
Contact Person: Felipe Rael	Contact Person Title: Executive Director
Contact Person Phone Number: 505.244.1614	Contact person email address: info@solhousing.org
List all owners, officers, and affiliates of the General Contractor with controlling interest or that hold percentages of equity (indicate respective percentages): Sol Housing will own 100% of the General Partner interest.	

DEVELOPER	
Name: Sol Housing	Phone: 505.244.1614
Address: 320 Gold Ave SW, Albuquerque, NM 87102	
Contact Person: Felipe Rael	Contact Person Title: Executive Director
Contact Person Phone Number: 505.244.1614	Contact person email address: info@solhousing.org
List all owners, officers, and affiliates of the General Contractor with controlling interest or that hold percentages of equity (indicate respective percentages): N/A	

CO-DEVELOPER	
Name: N/A	Phone:
Address:	
Contact Person:	Contact Person Title:
Contact Person Phone Number:	Contact person email address:
List all owners, officers, and affiliates of the General Contractor with controlling interest or that hold percentages of equity (indicate respective percentages):	

DEVELOPMENT CONSULTANT	
Name: N/A	Phone:
Address:	
Contact Person:	Contact Person Title:
Contact Person Phone Number:	Contact person email address:
List all owners, officers, and affiliates of the General Contractor with controlling interest or that hold percentages of equity (indicate respective percentages):	

GENERAL CONTRACTOR	
Name: Jaynes Corporation	Phone: 505.345.8591
Address: 2906 Broadway NE, Albuquerque, NM 87107	
Contact Person: Krishna Reddy	Contact Person Title: Executive Vice President
Contact Person Phone Number: 505.345.8591	Contact person email address: Krishna_Reddy@jaynescorp.com
List all owners, officers, and affiliates of the General Contractor with controlling interest or that hold percentages of equity (indicate respective percentages): N/A	

ENERGY CONSULTANT	
Name: Green Insight, LLC	Phone: 833.476.8326
Address: 10008 Quintessence Rd NE, Albuquerque, NM 87122	
Contact Person: Ryan Moore	Contact Person Title: LEED for Homes QAD, Green Rater, HERS Rater
Contact Person Phone Number: 833-GRN-TEAM (476-8326) ext. 700	Contact person email address: rmoore@thegreeninsight.com

ARCHITECT	
Name: Dekker/Perich/Sabatini	Phone: 505.761.9700
Address: 7601 Jefferson St NE, Suite 100, Albuquerque, NM 87109	
Contact Person: Hannah Feil Greenhood	Contact Person Title: Principal/Architect
Contact Person Phone Number: 505.761.9700	Contact person email address: hannahg@dpsabq.org

MANAGEMENT COMPANY	
Name: Monarch Properties, Inc.	Phone: 505.260.4800
Address: 1720 Louisiana Blvd NE, Ste #402, Albuquerque, NM 87110	
Contact Person: Jack MacGillivray	Contact Person Title: Vice President
Contact Person Phone Number: 505.260.4800	Contact person email address: jmacg@monarchnm.com

SYNDICATOR	
Name: Raymond James Affordable Housing Investments	Phone: 503.675.3933
Address: 880 Carillon Parkway, St Petersburg, FL, 33716	
Contact Person: Dan Wendle	Contact Person Title: Director of Acquisitions - West
Contact Person Phone Number: 503.675.3933	Contact person email address: Dan.wendle@raymondjames.com

4. Capacity

Provide a narrative description of the Development Team's organizational capacity and the role to be played by each key member:

Sol Housing has internal staff capacity and experience developing, owning, and managing affordable housing. Sol was incorporated in 1993 as a 501(c)(3) non-profit corporation and was Albuquerque's first citywide Community Housing Development Organization (CHDO). Working primarily in Albuquerque's older neighborhoods, Sol oversees the design, construction, and operations throughout the affordability period of new, affordable rental homes and developments. To date, Sol

has developed and/or sponsored 948 affordable and market-rate rental units and 98 affordable and market-rate single family homes.

In 1996, Sol developed its first LIHTC (Low Income Housing Tax Credit) development with the 214-unit Bridgepoint Apartments. From 1996 to 2008, the organization mainly developed single-family homes and townhomes and homebuyer programs to enable families to purchase their first home. Since 2010, Sol has developed 9 apartment communities totaling 722 new affordable housing units and 12 rehab units, funded with Low Income Housing Tax Credits and City of Albuquerque funds (HOME, Workforce Housing Trust Fund, and Affordable Housing Fund 240). We have successfully leveraged HOME dollars for four of our current properties, Cuatro, Plaza Feliz, Luminaria Senior Community, and PAH! Hiland Plaza, and two that are in development, Farolito Senior Community and Somos Apartments.

Sol Housing is committed to building a better Albuquerque. In our 2024-2028 Strategic Plan, we envision a future where everyone can create community, connection, and joy in a home of their choice. To that end we established specific action steps to strengthen a diverse staff and board that will inform best practices for more diverse and equitable opportunities. We regularly engage with Neighborhood Associations before, during, and after the development process. Community meetings are conducted as listening sessions to ensure we are considering our neighbors' needs and wants as we proceed with our development plans. Once our communities are placed in service, we continue to be good neighbors. Our Enrichment Services Coordinators are members of or attend Neighborhood Association meetings and partner with community-based health providers to provide classes and resources to our residents to help residents maintain housing stability and improve health outcomes. We host neighborhood events at our properties, maintain our properties as clean and litter-free, and promote the security and safety of our residents.

Executive Director, Felipe Rael has over 20 years of housing finance expertise including Low Income Housing Tax Credits, bond financing, the Federal Home Loan Bank of Dallas Affordable Housing Programs, and the State of New Mexico affordable housing development programs. Director of Housing Development, Miriam Hicks, RA, is a licensed Architect with over 25 years in the design and construction industry and oversees the development of our apartment communities from site identification to design and construction. Deputy Director of Operations, Kelle Senyé, is a CPM® and ARM® with over 30 years in the apartment industry who lends her expertise in the overall operations of the apartment communities, marketing, and social service delivery. Director of Community Relations, Laurie Frappier, is a nonprofit leader and housing advocate who provides community outreach and communications for the organization. Rita Gonzalez, Controller is a Certified Public Accountant with over 35 years of accounting experience. Robert Sitkowski, AICP, ESQ., Associate Director of Housing Development, has over 35 years of experience in all aspects of real estate development, including law, urban planning, urban design, and architecture. Enrichment services coordinators DuJuan McCoy, David Poole and Kenzie Davison provide services that help residents maintain their housing stability through workshops, classes, and events focused on finances, technology, health and wellness, fitness, and Medicaid/Medicare as well as various social events.

In addition to its internal development team, Sol partners with local leaders in affordable housing development and operations. The development team will work closely with Dekker/Perich/Sabatini, Green Insight, Jaynes Corporation, and Monarch Properties, previous partners on Sol's affordable housing development projects. Dekker/Perich/Sabatini was the Architect for Sterling Downtown and Luminaria Senior Community. They are a trusted team excited to contribute their design expertise to provide beautiful new rental homes for Albuquerque seniors and veterans. Green Insight provides

technical assistance for environmental considerations. Jaynes has been the general contractor for Luminaria Senior Community and PAH! Hiland Plaza, offering over 40 years of experience delivering quality projects. Monarch Properties are specialists in full-service multi-family apartment management, whom Sol has partnered with for all its apartment communities since 2010 serving seniors and households with children.

Attachment: Appendix D 01.05 Resumes

5. Experience

Provide a narrative description of the Development Team's experience with the type of project being proposed. If development team experience is not consistent with the experience required for the project being proposed, please provide details regarding how you plan to gain expertise in the proposed program, in order to ensure that the team is competent in developing and managing the property in compliance with program requirements.

The development team experience is consistent with the experience required for Farolito Senior Community. Sol is currently a CHDO and has developed multiple affordable housing developments in Albuquerque:

Plaza Feliz (2011) – 66 units

Plaza Ciudadana (2014) – 68 units

Cuatro (2016) – 56 units

Casa Feliz (2017) – 89 units

Sterling Downtown (2018) – 107 units

Luminaria Senior Community (2022) – 92 units

PAH! Hiland Plaza (2023) – 92 units

Provide resumes for key development team members under **APPENDIX D: Supporting Documentation. Attachment:** Appendix D 01.05 Resumes

6. Procurement Process

Describe the process for assembling the Development Team:

Sol has a proven thirty-one-year track record, and our success is through a combination of long-term partners and competitive processes for selecting new ones. Sol has selected five team member firms based on their experience and long-term performance with Sol since 2010. Monarch Properties, Inc. is our third-party management group. Monarch has successfully managed all Sol properties, starting with Plaza Feliz and continuing through our most recent lease-up, PAH! Hiland Plaza. Green Insight serves as our energy efficient consultant based on their experience with HERS & LEED, but also the local building science knowledge based on the local climate. Dan Pick serves as tax counsel based on his experience working with the City of Albuquerque, MFA, and financial partners. Daniels Insurance will serve as brokers for the general liability policy.

In compliance with Sol's procurement process approved by the Sol Board of Directors, Dekker/Perich/Sabatini was selected as architect based on a competitive selection process for architectural services and then identified as the appropriate architect for Farolito based on their performance on Luminaria Senior Community. Jaynes Corporation was selected as general contractor for Farolito through a competitive invitation for qualifications. Sol issued a competitive process for equity investor and construction/permanent lender, Raymond James and Bank of Albuquerque were selected respectively. Sol utilizes referrals from our trusted partners to fill in other team members.

Section 2: Project Information

1. Project Overview

Project Name: Farolito Senior Community	
Provide a narrative overview of the proposed project: Farolito will be Sol Housing's second partnership with the NM State Land Office developing a blighted vacant lot, similar to the recently opened Luminaria Senior Community across the street. The community will provide 72 one-bedrooms and 10 two-bedrooms for seniors aged 55+ with universal design for aging in place and services provided to support the residents. The amenities, lighting, and landscaping are planned to support residents' social interaction and engagement.	
Project Address: 10501 Central Ave NE	Project City, State, Zip: Albuquerque, NM 87123
Census Tract(s): 7.18	Census Block Group(s): 14
Total Number of Units: 82	Total Affordable Units: 82
Total Market Rate Units: 0	Total Handicap Accessible Units: 9 units Type A = 10%
Total Land Area: 2.2856	Building Square Footage: 75,243
Number of Floors in Tallest Building 4	Number of Elevators: 1
Structural System: Wood frame	Exterior Finishes: Stucco, glass, TPO roof, metal awning

2. Proposed Improvements

Please check all that are applicable to the project: <input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Detached <input type="checkbox"/> Semi-Detached Duplex <input type="checkbox"/> Rehabilitation of Existing Building <input type="checkbox"/> Manufactured/Modular/Mobile <input type="checkbox"/> Townhome <input checked="" type="checkbox"/> High rise (4 stories or more) <input type="checkbox"/> Midrise (2-3 stories) <input type="checkbox"/> Other (please describe):
Is any portion of the building used for other than habitable residential purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, please explain:

3. Acquisition of Property with Existing Buildings

Please designate project type: <input type="checkbox"/> Acquisition/Rehab <input type="checkbox"/> Acquisition/Demolition/New Construction
NOT APPLICABLE
Are buildings currently vacant? <input type="checkbox"/> Yes <input type="checkbox"/> No
Does this project involve relocation of current occupants? <input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes", does the project comply with the Uniform Relocation Assistance & Real Property Act of 1970? <input type="checkbox"/> Yes <input type="checkbox"/> No
Please describe the proposed relocation assistance and plan. If no relocation is necessary provide a statement of non-displacement. If proposed project is to be federally funded it must comply with the displacement, relocation, and acquisition requirements implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act (42 U.S.C. 4201- 4655) and implementing regulations at 49 CFR Part 24. If funded with non-federal resources, the project must comply with any State or City of Albuquerque relocation requirements.
Has a funding source for the relocation assistance source been identified? <input type="checkbox"/> Yes <input type="checkbox"/> No Name the funding source for relocation assistance: Provide commitment letter from funding source(s) under APPENDIX D: Supporting Documentation.
If vacant, indicate the last date of occupancy:
Year Construction was completed:
If building was constructed prior to 1978, please respond to the following: Has the property been tested for lead-based paint? <input type="checkbox"/> Yes <input type="checkbox"/> No Provide copy of lead-based paint test survey and testing results (pre-1978 – all painted surfaces) under APPENDIX D: Supporting Documentation. Has the building been tested for asbestos? <input type="checkbox"/> Yes <input type="checkbox"/> No Provide copy of asbestos testing results under APPENDIX D: Supporting Documentation.
Has a Phase I Environmental Assessment been completed? <input type="checkbox"/> Yes <input type="checkbox"/> No Provide copy of summary of findings of Phase I Environmental Assessment under APPENDIX D: Supporting Documentation.
Property was acquired from: <input type="checkbox"/> a related party <input type="checkbox"/> an unrelated party
Is the project a historic building? <input type="checkbox"/> Yes <input type="checkbox"/> No
Is the property located in a historic district? <input type="checkbox"/> Yes <input type="checkbox"/> No
Was the property previously subsidized with federal funds? <input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes", please specify the source of funding and the year the funding was provided:

4. Zoning

Specify the zoning for the development site:
MX-H (MIXED-USED, HIGH INTENSITY ZONE DISTRICT)

Provide a map to show current zoning under APPENDIX D: Supporting Documentation.

Attachment: 02.04 IDO Zone Atlas Map

Is the zoning consistent with the development being proposed? ☒ Yes ☐ No

If "No", provide narrative on the status and anticipated date of resolving all zoning inconsistencies
N/A:

5. Utilities & Site Information

Are all utilities available to the perimeter of the site? ☒ Yes ☐ No

If "No", please specify which utilities need to be brought to the site: N/A

Please indicate who is responsible for bringing utilities to the site: Developer

Specify the conditions that must be met to develop the site:

All conditions have been met, Zoning approval and building permits are approved and ready for construction start.

Disclose any other site conditions, development/other limitations, or environmental concerns:
None

Is project located in a Qualified Census Tract or a Difficult to Develop Area as currently identified/defined by HUD? (https://www.huduser.gov/portal/sadda/sadda_qct.html)
No

6. Occupancy Information

Bedroom Size	Total Units	# of Units at or below 30% AMI	# of Units at or below 50% AMI	# of Units at or below 60% AMI	# of Units at or below 80% AMI	# of Units at Market Rate or Unrestricted
0						
1	72	22	14	25	11	
2	10	3	2	3	2	
3						
4						

7. Special Needs Tenants or Target Populations

Number of Units	Population Type
82	Seniors 55+

Describe any supportive services that will be provided to the target population and who will provide the supportive services:

First Nations will provide quarterly health screenings and technology training. Guillermina Osaria will provide financial literacy services and end of life planning quarterly, as well as Medicare/Medicaid eligibility and enrollment assistance twice per year. Raimundo Rodriguez will provide Zumba classes to fulfill health education bi-monthly. The Enrichment Services Coordinator, an employee of Sol Housing, will coordinate these senior services.

8. Appliances and Amenities Provided Without Additional Charge

Amenity/Appliance	Market Units		Affordable Units	
	Yes	No	Yes	No
Refrigerator			X	
Gas Range				X
Electric Range			X	
Dishwasher				X
Disposal				X
W/D Hookups			X	
A/C			X	
Evaporative Cooling				X
Carpet				X
Drapes/Shades			X	
Exhaust Fan			X	
Range Hood			X	
Other (please list): Washer/dryer			X	

9. Monthly Utility Allowance Calculations

Utilities	Type of Utility (Gas, Electric, etc.)	Utilities Paid By:		Utility Allowance by Bedroom Size			
		Owner	Tenant	1 BR HOME	2 BR HOME	1 BR PBV	2 BR PBV
Heating	Electric Heat Pump		X	20	24	15	18
Evaporative or A/C	Electric		X	4	7	7	10
Cooking	Electric		X	4	6	5	8
General electric	Electric		X	16	22	20	28
Hot Water.	Gas	X					
Water/Sewer/Trash		X					
System Charge	Electric		X			8	8
Total Utility Allowance for Units				44	59	55	72
				Local PHA	Utility Co	Other	
Source of Utility Allowance Calculation				X ¹		X ²	
Provide documentation of source of utility allowance calculation under APPENDIX D: Supporting Documentation. Attachment: 02.09 UA Calculations							
1 ABQ Housing Authority UA schedule 2 Costello Compliance 3rd party UA report							

10. Market Study

Is there a Market Study, dated no more than 6 months prior to application date, that demonstrates a need for affordable housing for the proposed population at the proposed location? ☒ Yes ☐ No

If a current Market Study is available, provide a copy under **APPENDIX D: Supporting Documentation. Attachment: 02.10 Market Study - Farolito**

If a current Market Study is not available at the time of application, Applicant will be required to provide a Market Study demonstrating a need for affordable housing for this population at the proposed location prior to preparation of a development agreement.

11. Development Schedule

Provide a brief narrative overview of the development schedule, and complete the development schedule chart below:

Farolito Senior Community is as shovel ready as it gets. The development team applied and received Dept of Health. Housing and Homelessness pass-thru funding (HUD HOME) in 2022 and received a 2023 tax credit allocation. We anticipated financial closing and start of construction at the end of 2023 but had to push back the closing date to close the gap in financing. We have building permits, zoning approval from the City of Albuquerque Planning Department. We have received notification of LIHTC equity investor approval, construction/permanent loan approvals If we are successful with this RFP for gap funding, we will be able to close our financing and start construction upon notification of award.

		Date	Comments
A.	Site Acquisition	01/01/2023	Executed Lease Agreement
B.	Financing		
1.	Construction Loan		
	Closing Date:	07/31/2024	
2.	Partnership Closing		
	Closing Date:	07/31/2024	
3.	Permanent Loan		
	Commitment Date:	07/31/2024	
	Closing Date:	07/31/2026	
4.	Other		
	Source of Funds:	Project Based Vouchers	
	Firm Commitment/Award Date:	07/19/2023	
5.	Other		Date of Tax Credit Reservation, Carryover Agreement 12/28/2023
	Source of Funds:	9% LIHTC	
	Firm Commitment/Award Date:	05/30/2023	
6.	Other		
	Source of Funds:	HUD HOME	
	Firm Commitment Date:	11/08/2023	
C.	Environmental Review Completed	05/21/2024	
D.	HUD Authority to Use Grant Funds Issued	06/05/2024	
E.	City Council funding appropriation approval	10/07/2024	
F.	Plans Submitted to the City	09/01/2023	
G.	Building Permits Issued	08/01/2024	Building Permit approved 02/27/24
H.	Notice to Proceed Issued	08/01/2024	
I.	Start of Construction	08/01/2024	
J.	Completion of Construction	12/22/2025	17 months to Substantial Completion, 18 to Final Completion
K.	Estimated Placed-in-Service Date	12/22/2025	
L.	Estimated Lease-Up Date	03/31/2026	

Section 3: Threshold Criteria

INSTRUCTIONS: Provide a comprehensive **Narrative** explaining in detail the responses to the Threshold Criteria as listed below. Any necessary documented evidence cited in the Narrative should be provided in **APPENDIX D – Supporting Documentation**.

An Applicant Checklist with Threshold Criteria is included **APPENDIX C – HHH Affordable Housing Request for Proposals Scoring Matrix**.

The Narrative responses to the Threshold Criteria and any corresponding necessary for justification shall be included in APPENDIX D - Supporting Documentation and will be by the City as the basis for advancing to the Scoring portion of the application.

THRESHOLD CRITERIA:

1. **Applicant shall demonstrate that it is a not-for-profit or a governmental entity. A not-for-profit must be authorized to do business in New Mexico and have received an Internal Revenue Code 501 (c)(3) or (c)(4) designation. Corporations who have received a different 501(c), such as a (c)(6), may qualify on a case-by-case basis as a not-for-profit; however, approval shall be sought and obtained from the Department during the application process.**

Sol Housing (fka Greater Albuquerque Housing Partnership) was classified as a 501(c)(3) by the Internal Revenue Service on May 12, 1999. A Certificate of Amendment was filed on February 28, 2024 changing the name of the organization to Sol Housing. The letter and a current Certificate of Good Standing from the New Mexico Secretary of State are attached to the application.

Attachments:

- Certificate of Non-Profit Incorporation
 - Appendix 9: Certificate of Non-Profit, IRS letter, Tax exempt organization search
 - Appendix 9: Amended Articles of Incorporation
- Certificate of Good Standing and Compliance
 - Appendix 9: Certificate of Good Standing

2. **Applicant shall demonstrate that it has a stated housing mission in its organizational documents.**

The original articles of incorporation state that the specific purposes of the organization include:

A. To combat deterioration of lower income communities;

B. **To provide new housing opportunities** that will combat racial and other forms of illegal discrimination in the housing market;

C. To ease the burdens of government by **operating affordable housing programs**, including specific programs initiated at the direction of the City of Albuquerque that would otherwise be the City's direct responsibility;

D. **To provide new opportunities for decent, affordable housing**, with the goal that a substantial number of households receiving special assistance (such as low-cost financing) have lower incomes.

Attachment: Appendix 9: Amended Articles of Incorporation

- 3. Applicant shall demonstrate that it has capacity and experience with developing, owning, and managing affordable housing. If applicant lacks capacity and/or direct experience, it has partnered with another entity that has the capacity and experience to essential expertise to the project.**

Sol has the capacity and experience with developing, owning, and managing affordable housing. Please refer to Scoring Criteria 4.2 Nonprofit Development Experience/Internal Capacity.

Attachment: Appendix D: 01.05 Resumes

- 4. If applicant is partnering with another entity to provide essential expertise: the Applicant shall demonstrate that it will hold a 51% or greater interest in a partnership, the Applicant will materially participate in the Project, and the Applicant will receive a minimum of 10% of the developer fee as identified in the project budget.**

Applicant is not partnering with any other entity. Sol Housing will be the developer and owns 100% of the General Partner interest.

- 5. Applicant shall demonstrate that it and/or its Partnership has site control.**

The site, located at 10501 Central NE, Albuquerque NM, is owned by the New Mexico State Land Office. Upon approval of the Environmental Review process, the LLLP executed the attached long-term bid lease on January 1, 2023. The lease term includes a 3-year introductory period, 60-year lease term and four (4) 5-year extensions.

Attachment: Appendix D: T3.05 Lease

- 6. For new construction projects, the applicant shall demonstrate that the proposed project is not within a Special Flood Hazard Area OR a sufficient explanation that the project will be constructed in a manner than it can be removed from the Special Flood Hazard Area.**

Farolito Senior Community will be newly constructed at 10501 Central Avenue NE, Albuquerque NM and is in Flood Zone X with minimal flood risk. This site is an infill location, previously developed as the Ponderosa Mobile Home Park and is not adjacent to a natural body of water or significant drainage way. New site grading will ensure all onsite water positively drains and/or ponds away from buildings.

Attachment: Appendix D: T3.06 Flood plain map

7. Applicant shall demonstrate that at least 20% of the Units in the Project will be rent-restricted to and occupied by households whose income is at or below 50% of the Area Median Income (AMI) OR At least 40% of the Units in the Project will be rent-restricted to and occupied by households whose income is at or below 60% of the AMI"

Farolito Senior Community will set aside 25 units at or below 30% AMI representing 30.48% of 82 total units. 22 one-bedrooms and 3 two-bedrooms will be set aside for these households as evidenced by the occupancy information in Appendix A as well as the underwriting template (Appendix B: Rents and Income Tab).

1 BR LIHTC	100% of LIHTC 30 AMI	8	650
2 BR LIHTC	100% of LIHTC 30 AMI	2	800
1 BR LIHTC	100% of Project Based Voucher 30 AMI	14	650
2 BR LIHTC	100% of Project Based Voucher 30 AMI	1	800

Farolito Senior Community will set aside 41 units at or below 50% AMI representing 50% of 82 total units. (Farolito will set-aside 25 units at or below 30% AMI representing 30.48% of 82 total units plus an additional 16 units at or below 50% AMI representing 19.52% of 82 total units.) There will be 36 one-bedrooms and 5 two-bedrooms available to households at or below 50% AMI as evidenced in the occupancy information of Appendix A as well as the underwriting template (Appendix B: Rents and Income Tab).

1 BR LIHTC	100% of LIHTC 50 AMI	1	650
1 BR Low HOME LIHTC	100% of Low HOME	4	650
2 BR Low HOME LIHTC	100% of Low HOME	1	800
1 BR LIHTC	100% of Project Based Voucher 50 AMI	9	650
2 BR LIHTC	100% of Project Based Voucher 50 AMI	1	800
1 BR LIHTC	100% of LIHTC 30 AMI	8	650
2 BR LIHTC	100% of LIHTC 30 AMI	2	800
1 BR LIHTC	100% of Project Based Voucher 30 AMI	14	650
2 BR LIHTC	100% of Project Based Voucher 30 AMI	1	800

8. Applicant shall demonstrate that it and/or partner entity has sufficient financial capacity, by: -All of the applicant/partner entity's current housing projects that have been in operation for three or more years maintained a positive operating cash flow from operating income, for the year in which each development's last financial statement was prepared; and --All of the applicant/partner entity's current housing projects have reserves that are funded in accordance with partnership agreements and any applicable loan documents. Evidence shall include: audited financials or a certification from a third-party public accountant.

Per the attached December 31, 2022, audited financial statements, Sol Housing has a net worth of approximately \$91.3 million including cash holdings of \$6.3 million. All LIHTC projects have achieved stabilization, and there are no construction guarantees open on any Sol Housing projects.

Attachment: Appendix D: T3.08 Third-party certification

- 9. Applicant shall demonstrate that it fully leverages the available funds by fully utilizing all available private financing and by deferring at least a portion of the developer fee, as evidenced by the completed Multifamily Underwriting Template.**

Sol Housing is willing to defer their \$1.66 million developer fee on this project, leaving \$1 million in additional deferred developer fee available for cost overruns. We are projecting \$726,822 in deferred developer fee on Appendix B, Tab 'Sources and Uses'.

Attachment: Appendix B – Multifamily Underwriting Farolito

- 10. Applicant shall demonstrate that the subject property shall not involve a property that currently has existing tenants/residents which will need to be relocated.**

Farolito will be developed on state land that is currently a vacant lot. There are no residents that will need to be relocated.

Attachment: Appendix D S4.14 FAR Site Photos

- 11. Applicant shall demonstrate that it has not been federally debarred and is in Good Standing with the State of NM.**

As of June 10, 2024, Sol Housing/GAHP is not included among the following subjects listed on HUD's Limited Denial of Participation List at:

https://www.hud.gov/program_offices/general_counsel/limited_denial_participation_hud_funding_disqualifications

HUD Limited Denial of Participation List on next page

HUD LIMITED DENIAL OF PARTICIPATION LIST

Search using the standard web search box:

on a PC: ctrl+F

on a Mac: command+F

Open a search box, enter the name you wish to verify and hit enter. If there are no matches, the name is not on the list.

This list is current as of: 06/10/2024

HUD Limited Denial of Participation List - 1 page of 5 Records ([Printable Excel version](#))

Subject	Affiliation	Address	Scope of Disqualification	Disqualification Start Date	Disqualification End Date	Disqualification List Date	Office	Contact Person/ Email	Contact Office Phone
Acosta, Lazaro		Miami, FL	All HUD Programs; Section 8 Rental Assistance Program	08/16/2016	08/15/2026	08/25/2016	Florida State Office	Carmen Trice	202-402-2516
Bambick, Joseph M.		Fredonia, KS	All HUD Programs; Section 8 Rental Assistance Program	02/04/2016	02/03/2061	02/04/2016	Kansas/Missouri State Office	Carmen Trice	202-402-2516
Ley, Daniel		Natchitoches, LA	All Housing Programs	03/05/2024	03/04/2025	04/09/2024	Denver Homeownership	Laura L. Bullock	303-839-2604
Mac Arthur, Andrew		Englewood, CO	All Housing Programs	02/15/2024	02/14/2025	03/21/2024	Denver Homeownership	Laura L. Bullock	303-839-2604
Wallen, Bradley		Centennial, CO	All Housing Programs	02/15/2024	02/14/2025	03/21/2024	Denver Homeownership	Laura L. Bullock	303-839-2604

Attachment: Appendix 9: Certificate of Good Standing

12. Applicant shall provide a completed *HUD Affirmative Fair Housing Marketing Plan* for conducting outreach and marketing to those least likely to apply for this project.

Sol's housing efforts seek to address longstanding, racially disparate economic and social outcomes by creating opportunities to reach out to populations that may be the least likely to apply at our apartment communities. It is our belief that every person deserves to live in a home that is high quality, safe, and permanent. Our beneficiary residents come from a variety of race and ethnic backgrounds, and have low and very-low incomes, with several emerging from homelessness. Sol strictly adheres to fair housing practices that prohibit discrimination based on race, color, religion, sex, disability, familial status, or national origin. These practices are essential for giving people access to the housing they choose and can afford. Our staff and management company regularly attend Fair Housing training. Our housing promotes integration that attracts economic development and provides residents security, connection to the community, and access to opportunities.

Farolito Senior Community anticipates initial occupancy in December of 2025 and will begin advertising no later than June 2025. The initial AFHMP is being submitted with this application to fill those initial vacancies once certificate of occupancy is obtained. The AFHMP will be evaluated yearly to determine if the marketing activities are adequately targeting the identified demographic groups least likely to apply.

Albuquerque's demographic composition creates a unique opportunity for marketing to populations that would be least likely to apply. As evidenced by the latest Census data, we have determined that Whites and Hispanics are quite likely to apply, but Black/African American and American Indian/Alaskan Native are least likely to apply. Within all geographic boundaries, census tract 7.18, Albuquerque MSA, and Bernalillo County, the percentage of Black/African American and American Indian/Alaskan Native is less than that of Whites and Hispanics, but significant enough to warrant marketing to these groups. Additionally, we have identified Persons with Disabilities as a group least likely to apply and will consider that group in our marketing efforts.

We identified the African American Greater Albuquerque Chamber of Commerce for getting information to Black/African American residents. The American Indian Chamber of Commerce will assist in marketing to the Native American population. We have a couple of places to market to Persons with Disabilities. The DAV Department and the CABQ Department of Senior Affairs have both been cooperative in posting fliers and allowing us to advertise availability for previous apartment communities.

Partnering with a 3rd party management company, Monarch Properties, Inc has self-certified that proper training for employees at Farolito Senior Community will be completed for both the AFHMP and Fair Housing. Examples of notification letters and training syllabus are included in the AFHMP. Fair Housing posters will be prominently displayed and a copy of the AFHMP will be available in the leasing office. Our exterior signage will display the HUD approved Equal Housing Opportunity logo at a size not less than 8"x8".

Attachment: Appendix D: T3.12 AFHMP FAR

13. Applicant shall demonstrate how the Grant of Coronavirus State and Local Fiscal Recovery Funds in this RFP will be used to close a financial gap for a multi-family rental project that will leverage the 4% or 9% Low Income Housing Tax Credits.

This request for \$3,000,000 grant of Coronavirus State and Local Fiscal Recovery Funds will close the development gap created in Hard Construction Costs plus Construction Period Interest. In March 2024 we received the final bid from Jaynes Corporation and the construction cost of the project is now over \$22.4 million, representing a \$2.7 million increase from the August 2023 estimate. When you factor in changes in the construction period finance costs from a longer construction period (17 months) and escalated interest rates that adds \$250,000 to the total Development cost. The combined gap from these two line items is \$2,965,533.

Construction / Rehabilitation Costs (construction contract costs)	December 2022	August 2023	June 2024	Change
Construction Contract	\$18,905,956	\$18,785,871	\$21,355,362	
Construction Contingency	\$945,298	\$900,860	\$1,046,902	
Total Hard Construction Costs	\$19,851,254	\$19,686,731	\$22,402,264	\$2,715,533
Interim Financing Costs				
Construction Period Interest	\$500,000	\$500,000	\$750,000	\$250,000
				\$2,965,533

The \$3 MM in gap funding is leveraged over 9.08:1 of the total \$27,241,554 total development cost, and it leverages the 9% LIHTC equity contribution of \$14,377,480 over 4.79:1. The June 2024 committed sources of financing include \$4.5MM permanent loan, \$4.2MM in HOME CHDO funds and \$14.37MM in LIHTC equity and \$726,822 deferred developer fee, which represents 44% of the total \$1.66 million developer fee:

Sources of Funds	Amount	HOME?
First Mortgage Loan (proposed amount)	\$4,500,000	No
Amortizing Second Mortgage Loan	\$0	No
HOME	\$4,187,152	Yes
Coronavirus State & Local Recovery Funds	\$3,000,000	No
CDBG	\$450,000	No
Deferred Developer Fee	\$726,822	
Developer Cash Investment	\$100	
Tax Credit Equity (proposed amount)	\$14,377,480	
Total Sources of Funds	\$27,241,554	

Total HOME Funding	\$4,187,152
Developer Investment for Financial Analysis	\$726,922

Farolito is expected to cost \$310/sf based on the negotiated construction contract. \$310 times the 72,243sf = \$22.4 MM in hard construction costs. Total Development Costs are expected to be \$27.2MM. The project will have a capital stack of HOME, Land is leased from the State on New Mexico, Coronavirus recovery funds, CDBG, LIHTC equity and \$726k in deferred developer fee lent into the deal.

Attachment: Appendix B

Section 4: Scored Criteria

INSTRUCTIONS: Provide a comprehensive **Narrative** explaining in detail the responses to the Threshold Criteria as listed below. Any necessary documented evidence cited in the Narrative should be provided in **APPENDIX D – Supporting Documentation**.

An Applicant Checklist with Threshold Criteria is included **APPENDIX C – HHH Affordable Housing Request for Proposals Scoring Matrix**.

The Narrative responses to the Threshold Criteria and any corresponding Supporting Documentation shall be used by the City as the basis for advancing to the Scoring portion of the application.

SCORED CRITERIA:

- 1. NON-PROFIT'S COMPLIANCE WITH CURRENT CITY CONTRACTS-** Applicant should demonstrate that it currently does not have any repetitive, open Finding with the City for two consecutive years.

Per the attached City Monitoring report from January 30, 2024, we do not have any repetitive open findings with the City for the past two consecutive years.

Attachment: Appendix D: S4.01 GAHP Monitoring Report 01.30.2024

- 2. NON-PROFIT'S DEVELOPMENT EXPERIENCE / INTERNAL CAPACITY-** Applicant should demonstrate how it has internal staff capacity and experience developing, owning and managing affordable housing. (If Applicant is partnering with another entity, the partner's experience and capacity will not be counted for this scored criteria).

Sol Housing (fka The Greater Albuquerque Housing Partnership) has internal staff capacity and experience developing, owning, and managing affordable housing. Sol was incorporated in 1993 as a 501(c)(3) non-profit corporation and was Albuquerque's first citywide Community Housing Development Organization (CHDO). Working primarily in Albuquerque's older neighborhoods, Sol oversees the design, construction, and operations throughout the affordability period of new, affordable rental homes and developments. To date, Sol has developed and/or sponsored 948 affordable and market-rate rental units and 98 affordable and market-rate single family homes.

In 1996, Sol developed its first LIHTC (Low Income Housing Tax Credit) development with the 214-unit Bridgepoint Apartments. From 1996 to 2008, the organization mainly developed single-family homes and townhomes and homebuyer programs to enable families to purchase their first home. Since 2010, Sol has developed 9 apartment communities totaling 652 new affordable housing units and 12 rehab units, funded with Low Income Housing Tax Credits and City of Albuquerque funds (HOME, Workforce Housing Trust Fund, and Affordable Housing Fund 240). We have successfully leveraged HOME dollars for four of our current properties, Cuatro, Plaza Feliz, Luminaria Senior Community, and PAH! Hiland Plaza, and two that are in development, Farolito Senior Community and Somos Apartments.

Sol Housing is committed to building a better Albuquerque. In our 2024-2028 Strategic Plan, we envision a future where everyone can create community, connection, and joy in a home of their choice. To that end we established specific action steps to strengthen a diverse staff and board that will inform best practices for more diverse and equitable opportunities. We regularly engage with Neighborhood Associations before, during, and after the development process. Community meetings are conducted as listening sessions to ensure we are considering our neighbors' needs and wants as we proceed with our development plans. Once our communities are placed in service, we continue to be good neighbors. Our Enrichment Services Coordinators are members of or attend Neighborhood Association meetings and partner with community-based health providers to provide classes and resources to our residents to help residents maintain housing stability and improve health outcomes. We host neighborhood events at our properties, maintain our properties as clean and litter-free, and promote the security and safety of our residents.

Executive Director, Felipe Rael has over 20 years of housing finance expertise including Low Income Housing Tax Credits, bond financing, the Federal Home Loan Bank of Dallas Housing Program, and the State of New Mexico affordable housing development programs. Director of Housing Development, Miriam Hicks, RA, is a licensed Architect with over 25 years in the design and construction industry and oversees the development of our apartment communities from site identification to design and construction. Deputy Director of Operations, Kelle Senyé, is a CPM® and ARM® with over 30 years in the apartment industry who lends her expertise in the overall operations of the apartment communities, marketing, and social service delivery. Director of Community Relations, Laurie Frappier, is a nonprofit leader and housing advocate who provides community outreach and communications for the organization. Rita Gonzalez, Controller is a Certified Public Accountant with over 35 years of accounting experience. Robert Sitkowski, AICP, ESQ., Associate Director of Housing Development, has over 35 years of experience in all aspects of real estate development, including law, urban planning, urban design, and architecture. Enrichment services coordinators DuJuan McCoy, David Poole and Kenzie Davison provide services that help residents maintain their housing stability through workshops, classes, and events focused on finances, technology, health and wellness, fitness, and Medicaid/Medicare as well as various social events.

In addition to its internal development team, Sol partners with local leaders in affordable housing development and operations. The development team will work closely with Dekker/Perich/Sabatini, Green Insight, Jaynes Corporation, and Monarch Properties, previous partners on Sol's affordable housing development projects. Dekker/Perich/Sabatini was the design team for Sterling Downtown and Luminaria Senior Community. They are a trusted team excited to contribute their design expertise to provide beautiful new rental homes for Albuquerque seniors and veterans. Green Insight provides technical assistance for environmental considerations. Jaynes has been the general contractor for Luminaria Senior Community and PAH! Hiland Plaza, offering over 40 years of experience delivering quality projects. Monarch Properties are specialists in full-service multi-family apartment management, whom Sol has partnered with for all its apartment communities since 2010 serving seniors and households with children.

Attachment: Appendix D 01.05 Resumes

- 3. DEVELOPER EXPERIENCE / HISTORY OF SERVING NM- Applicant should demonstrate how it has served New Mexico within the last 24 months such as developing new housing, rehabilitating existing stock, managing housing stock, or delivering non-housing services that have had lasting benefits for the community (e.g. behavioral health, childcare, education, etc.). If Applicant is partnering with another entity to meet the threshold criteria for capacity and experience, that entity demonstrates how the partnering entity has served New Mexico within the last 24 months.**

Sol Housing has served New Mexico for 31 years. Within the last 24 months Sol has developed new housing while overseeing the management of its affordable housing communities and providing enrichment services to our residents. In 2022, Sol opened the doors at Luminaria Senior Community, a 92-unit affordable multi-family housing community for seniors 55 and older. In 2023, we opened PAH! Hiland Plaza, a 92-unit multi-family affordable housing community designed with and for the Deaf community with Deaf-focused features and family-friendly enrichment services that support independent living. Sol manages these and its other multi-family affordable housing communities, Plaza Feliz, Plaza Ciudadña, Cuatro, Plaza Feliz, and Sterling Downtown while also developing Farolito Senior Community and Somos Apartments. In addition to developing and managing these apartment communities, Sol Enrichment Services Coordinators provide services that help residents maintain their housing stability through workshops, classes, and events focused on finances, technology, health and wellness, fitness, and Medicaid/Medicare as well as various social events.

- 4. DEVELOPMENT TEAM FINANCIAL SUSTAINABILITY- Applicant should demonstrate how it and/or its development partner has the necessary financial resources for staff to carry out a new development project.**

Sol Housing has a net worth of approximately \$91.3 million and cash holdings of \$6.3 million in checking, savings, and CDs. By the time Farolito Senior Community will start construction, all LIHTC projects will have achieved stabilization, and there will be no construction guarantees open on any of these projects. Sol is willing to defer their \$1.6 million developer fee on this project, leaving \$1 million in additional deferred developer fee available for cost overruns.

Attachment: Appendix 9: 2022 GAHP Audit

- 5. PROJECT FINANCIAL FEASIBILITY- Applicant should demonstrate how the project is financially feasible and sustainable based on the provided Financial Schedules and its ability to obtain the necessary financing (exclusive of this gap financing).**

Construction prices continue to reach unprecedented highs, labor and supplies are in high demand and short supply, interest rates remain high, and overall costs of materials are expected to remain high even if inflation and market pressures ease. We have been navigating this cost environment through the construction completion of Luminaria Senior Community, our LIHTC senior housing completed in March 2022, and with PAH! Hiland Plaza, our LIHTC family housing completed in September 2023. We are working with the top experts in design and construction who know our market and who each have over 50 years of relationships in our community to rely upon. We have drawn from these resources for accurate pricing and construction techniques and materials to inform our value engineering process and aid us in determining the construction cost estimate for Farolito Senior Community. The hard construction costs in the

original HOME application were 3.5% higher than Hiland Plaza's construction contract signed in April 2022. The soft costs were blended from completed cost certifications for Luminaria Senior Community and PAH! Hiland Plaza. We also team with financial partners who know us, value our team's knowledge, and prioritize investing in the Albuquerque market. We have worked through all of the due diligence and have received LIHTC equity approval of \$14,377,480. We have construction/permanent loan committee approval for \$4,500,000 loan. We will leverage the \$4,187,152 in HOME funds at close to 6:1; we will leverage this gap funding over 9:1. Once we receive notification of the \$3,000,000 grant of Coronavirus State & Local Fiscal Recovery funds we will be able to close on all committed financing and issue the Notice to Proceed to the contractor to start the 17 month construction.

Sol Housing is willing to defer their \$1.6 million developer fee on this project, leaving \$1 million in additional deferred developer fee available for cost overruns. The developer also has \$6.3MM in unrestricted cash holdings in checking, savings, and CDs; with a track record of \$636,000 general partner loan for Sterling and \$1,050,000 land contribution for Hiland Plaza.

Based on Tab 'Operating Pro Forma' in Appendix B there is sustainable, positive cash flow in years 2-20. Utilizing conservative underwriting assumptions in Tab 'Pro Forma Assumptions' the pro forma is utilizing 2% rent increases for HOME assisted, LIHTC and Other affordable units; while increasing Operating Expenses at 3% per year. The stabilized Debt Service Coverage Ratio in Tab 'Pro Forma Assumptions' is showing 1.22 DSCR in Year 2 (first stabilized year) and remaining above 1.20 through Year 20 HOME Affordability Period; ranging from low of 1.22 DSCR and not exceeding 1.33 DSCR during that same period. The Tab 'Operating Expenses' the total operating expenses is \$5,669 per unit/per annum (PUPA). When considering \$250 PUPA replacement reserves this takes the Total Expenses Plus Reserves to \$5,919 which reflect conservative expense ratios, ensuring long-term sustainability for this New Construction project through the 20-year HOME Affordability Period.

Attachment: Appendix B

6. PROJECT COMPLETION TIMEFRAME- Applicant should demonstrate that the project can reasonably obtain a Certificate of Occupancy within 3 years.

Once we receive notification of the \$3,000,000 grant of Coronavirus State & Local Fiscal Recovery funds, we will be able to close on all committed financing and issue the Notice to Proceed to the contractor to start the 17-month construction period. We anticipate receiving the Certificate of Occupancy in December 2025. Please refer to the full development schedule in Section 2.11 Development Schedule

7. PROJECT PRIORITY POPULATIONS: Applicant should demonstrate how Project is a Senior (age 55+) community living project that will provide at least 50 income restricted housing units.

Enclosed find the executed LIHTC Carryover Agreement between the project and the NM Mortgage Finance Authority dated December 28, 2023. Please note Section 2(b) which shows all **82 income and rent restricted units** as follows: **25 units at or below 30% AMI, 16 units at or below 50% AMI, 28 units at or below 60% AMI and 13 units at or below 80% AMI**. Additionally Section 3.(a) which states: At least eighty-two (82) of the residential rental units in the project

shall be constructed, equipped, set aside and made available for occupancy on a priority basis to **Seniors** at all times during the term of this agreement.

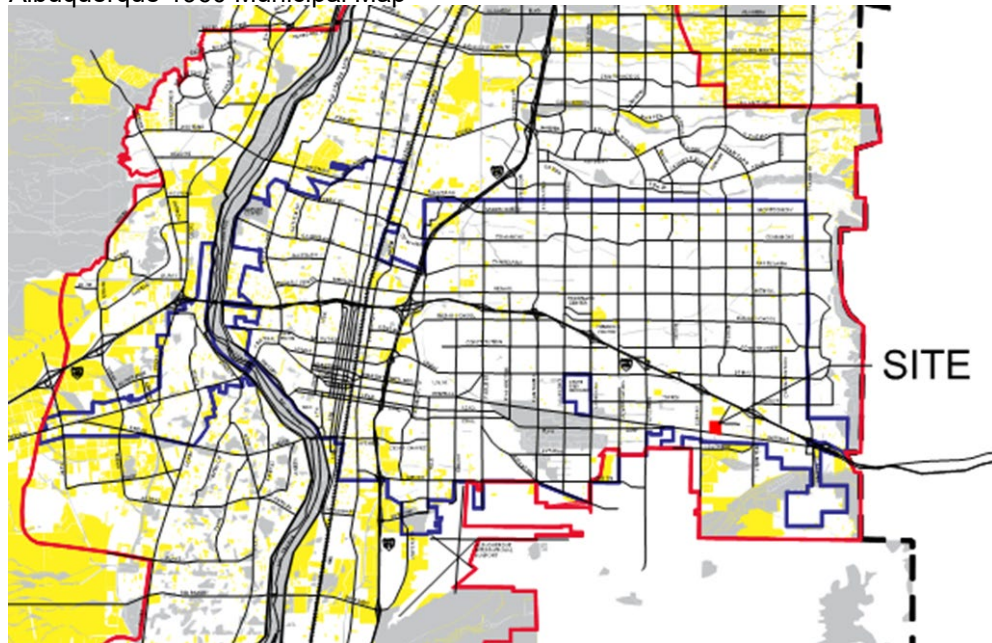
Attachment: Appendix D: S4.07 Farolito Senior Community Carryover

8. PROJECT LOCATION / INFILL - Applicant should demonstrate how Project is located in an Infill Area (defined as property located within the City of Albuquerque 1960 Municipal Limits (See [IDO Interactive Map, Button 1](#))).

Farolito Senior Community is located within the 1960 Municipal Limits at the site of the former Ponderosa Mobile Home Park which occupied the site from 1955 to the early 2000's when the area began to suffer from disinvestment. The site is vacant with remnants of mobile home park concrete slabs and masonry walls, and the foundation of the previous community building and leasing office.

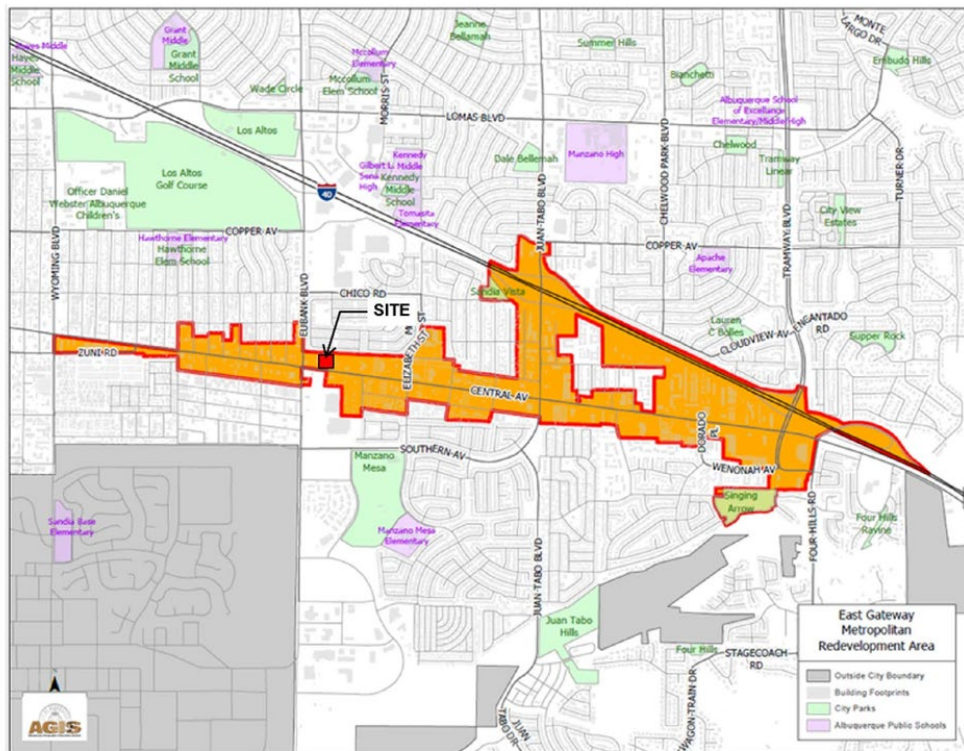
The site was a brownfield site with Phase I and Phase II environmental reports confirming the presence of transite pipe below grade. Removal and professional abatement were completed in February 2024 in anticipation of financial closing and construction start.

Albuquerque 1960 Municipal Map



- 9. PROJECT LOCATION / MRA, TOD, AOC - Applicant should demonstrate how Project is located in at least one of the following :**
- A Metropolitan Redevelopment Area (See [IDO Interactive Map, Button 1](#)).
 - Within 1/4 mile of a Transit Center, Premium Transit Station or Transit Corridor (See [IDO Interactive Map, Button 2](#)) for Premium Transit Stations and Corridors. See [here](#) for a map of Transit Center.
 - An Area of Change ([IDO Interactive Map Button 2](#)); Note that areas of Change and Consistency are different – use Legend to identify Areas of Change).

Farolito Senior Community is located within the boundary of the East Gateway Metropolitan Redevelopment Area (MRA) Plan, and meets recommendations by increasing density on an underutilized site, improving the streetscape along Central Avenue by removing the blighted remnants of mobile home pad sites and exposed concrete foundation of the old community building, and redeveloping the site with new mixed income senior housing, new sidewalks and fresh landscaping, Route 66 inspired building facades with neon lighting, future Route 66 themed murals, and increasing new residents to the neighborhood that will activate and increase use of area businesses and services.



East Gateway Metropolitan Redevelopment Area (2016)

The East Gateway MRA aspires to make East Central Avenue a more welcoming entry to the City of Albuquerque. The project will meet the six recommendations listed in the plan including: public improvements along Central Avenue such as landscaping and site furnishings, development along the Central transit corridor using Public-Private Partnerships, remove blight by developing vacant or underutilized land, beautify building facades and include iconic building signage, make safety improvements that will reduce crime, and implement the Route 66 Action Plan adopted in 2014.

10. PROJECT LOCATION / PROXIMITY TO SERVICES - Applicant should demonstrate how Project is located near existing neighborhood facilities 0.5-mile walk distance to at least three facilities OR a 1-mile walk distance to at least six facilities. At least one facility must be a supermarket, farmers market or other food store with produce.

The proposed site is located within walking distance of several existing neighborhood shops, services, and facilities meeting eight of the listed diverse uses. The following businesses/services are within .5 miles of the proposed site.

.5 mile radius map and table of area business on next page



Diverse Use	Name	Address	Walk Distance
Bank	Nusenda Credit Union	401 Eubank Blvd SE	.4 miles
Community/Civic Center	American Legion Post 49	11005 Central Ave NE	.4 miles
Convenience Store	Circle K	10315 Central Ave NE	.1 miles
Grocery Store	Costco	500 Eubank Blvd SE	.4 miles
Grocery Store	Sam's Club	300 Eubank Blvd SE	.5 miles
Hardware Store	Home Depot	200 Eubank Blvd SE	.1 miles
Medical/Dental	Valer Dental & Braces	120 Eubank Blvd SE	.1 miles
Medical/Dental	Alvarez Reigstad Optometry	500 Eubank Blvd SE	.1 miles
Pharmacy	Walgreens	10300 Central Ave SE	.1 miles
Restaurant	Bob's Burgers	305 Eubank Blvd NE	.4 miles
Restaurant	Burger King	200 Eubank Blvd NE	.3 miles
Restaurant	Golden Pride East	10101 Central Ave NE	.3 miles
Restaurant	Del Taco	100015 Central Ave NE	.3 miles
Restaurant	Chick-Fil-A	201 Eubank Blvd SE	.2 miles
Restaurant	Dion's	11000 Central Ave SE	.4 miles
Restaurant	Freddy's Frozen Custard & Steakburgers	10201 Central Ave NE	.2 miles
Restaurant	Taco Cabana	10210 Central Ave NE	.3 miles
Restaurant	Chili's Bar & Grill	10220 Central Ave SE	.2 miles
Restaurant	Starbucks	111 Eubank Blvd SE	.2 miles
Restaurant	Jimmy John's	401 Eubank Blvd SE	.4 miles

11. PROJECT GENERAL DESIGN / ENERGY EFFICIENCY - Applicant should demonstrate how the project will be designed to be energy efficient and will receive a Green Building Certification from a recognized Certifying Organization. Energy Use Certification Only = 5 points; Comprehensive Certification (Construction, Water & Energy Use) = 10 points

Farolito Senior Community will reach at least silver certification (comprehensive certification) for construction, low water-use and reduced energy usage based upon accepted green and sustainable building construction under the protocols of the LEED™ for Homes program. Low water-use plumbing fixtures, irrigation and native or adaptive plants, as well as water harvesting strategies within the landscape reduce overall water usage and repurpose surface drainage within bioswales to water shade trees and allow water infiltrate to the city's aquifer where possible. Energy efficient construction that reduces air infiltration, well-insulated reflective roof, LED and energy star lighting, and energy star appliances will be installed throughout, with the dwelling units achieving a Home Energy Rating System (HERS) of 55 or better, exceeding requirements for the Albuquerque Energy Code. Infill projects are particularly strong in LEED points Location and Transportation, and Energy and Atmosphere categories which will reduce both resident transportation and utility costs. The central hot water system will have a solar pre-heat option that can be added in the future allowing solar thermal panels to heat the water to 80% of it's operating temperature. The site incorporates future solar and capability for future electric vehicle charges.

The Farolito Senior Community will comply with the 2018 International Energy Conservation Code (2018 IECC) integrated into the building permit requirement for a 4-story commercial building. Residential spaces will have blower door testing, duct leakage testing, and design/installation best practices performed and observed by our 3rd party HERS rater and LEED for Homes consultant, Green Insight. Integration of LEED for Homes and Energy Star benchmarks will further enhance the energy use practices of the community while ensuring baseline code compliance is met and exceeded.

Sol Housing places the federal requirements (other assurances listed in the RFP) of affordable housing receiving HOME funds into our contracts with both the Architect and the General Contractor so that from day 1 the full team is working to meet and maintain compliance with U.S. Department of Housing & Urban Development, Office of Fair Housing & Equal Opportunity-Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. 40, Appendix A, Section 504 of the Rehabilitation Act of 1973 (Section 504), 29 U.S.C. 794; 24 C.F.R. Part 8, and the Fair Housing Act (42 U.S.C. 3601-20; 24 C.F.R. Part 100); and/or the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), as applicable.

Documentation including narrative, scorecard checklist, and Certificate of Opinion is provided from Green Insight, an approved verification provider by the US Green Building Council for LEED for Homes program. Farolito Senior Community will achieve LEED-H Gold certification.

Attachments: Appendix D

- S4.11 Comprehensive Certification
 - LEED checklist (scorecard)
 - Green Building Narrative
 - LEED Certificate of Opinion
 - Architect Statement of Energy Efficiency
- 01.05 Resumes - Green Insight Business Bio

12. PROJECT GENERAL DESIGN / CPTED: Applicant should demonstrate how the project will be designed, built, and managed using specific Crime Prevention Through Environmental Design (CPTED) principles.

Crime Prevention Through Environment Design (CPTED) principles are fundamental to the design of our communities. It is critical for residents to develop feelings of territoriality, an informal feeling of ownership of their homes and community, to feel safe and relaxed with their neighbors. We strive to achieve this informal ownership through clear delineation of public spaces from the semi-private areas for residents only to the privacy of their individual apartment home. Activation of the site with walking paths, various nodes of socialization and seating, distributed parking areas, and long lines of sight from all sides of the building, eliminate hiding places and ensure residents “own” and use the whole property and feel safe within it.

In addition to informal ownership, the design includes limited access control, adequate lighting, and control of exterior electrical outlets and water hydrants, which reduces opportunity and availability of electricity and water that entice trespassers to charge phone and fill water vessels. Security cameras, appropriately trimmed landscaping, proper “no trespassing” signs, ensuring all public spaces are highly visible and illuminated and placing landscaping materials that limit loitering, dissuade trespassers from sleeping or resting on the property. The visibility of the vehicular entry, security fence and gates, illuminated building and unit numbers, proper deadbolt and wide-angle eye viewers for resident entry doors provide multiple layers of security for the resident and property management.

Once the community is placed-in-service, the CPTED requirements will be maintained. The residents of the community will have eyes in all directions of the neighborhood with windows on all sides of the respective building. Inoperable vehicles will be cited as unacceptable in the lease agreement and allow management to take action to remove any that appear at the community. Access control and security cameras help determine patterns of behavior that will need to be corrected through design or property management solutions. Landscaping will be maintained by a professional landscaping company with trees and shrubs trimmed for visibility. The regular landscaping maintenance will present an attractive scene for both the residents of the community, visitors, and the community at large.

Our property manager and maintenance staff are our number one resources for implementing CPTED principles. They know the typical patterns of behavior and the security issues that cause the most concern. We rely on their continual feedback both during design and after placed-in-service. We have strategically located our management office so that property management and maintenance staff can monitor the building entry. Our residents are our next best resource. Once they feel at home and form community, they defend the property by watching over their neighbors and letting management know what is happening after hours and on weekends. Our property managers appreciate and use the resident’s “ownership” of the community to inform ongoing management decisions including requesting property improvements as needed.

Kelle Senyé, Deputy Director of Operations for Sol completed the CFMHP in October 2019, and her certificate is attached in supporting documentation. In her role, Kelle will be able to support the CPTED and other CFMHP requirements during the design, construction, and long-term operation of the property. Sol will hire a third-party management company, Monarch Properties, Inc. to oversee daily operations. The Regional Property Supervisor for Monarch,

Kevin Mahon attended the CFMHP training in April 2016, and his certificate is attached. When the new property manager and maintenance technician are hired, they will be required to attend the next available CFHMP training.

Attachment: Appendix D: S4.12 CFMHP Certificates

13. PROJECT SITE DESIGN AND DEVELOPMENT / NEIGHBORHOOD- Applicant should demonstrate how the Site Design will fit into the context of the neighborhood and why the design is appropriate for that specific community. Site design has creative and sensitive response to the social and physical context of the surrounding neighborhood. Site plan contributes to public streetscape or minimizes the visibility of parking.

Overall Site Design

Site Design requires critical site analysis, integration of the existing context, and the forward projection of what the place can become. Inspired by the design of the Luminaria Senior Community, a sister location directly to the south across Central Avenue, the design of the site pulls elements of the form, details, and program of Luminaria to create a physical gateway into the East Gateway Neighborhood. Neighbors reflecting on the design of Luminaria loved the colors and wanted more neon. Successful elements of Luminaria have been recreated at Farolito Senior Community including the architectural neon band grounding both four story buildings to further accentuate the tie between these sister projects creating a “gateway” the East Gateway Neighborhood and historic Route 66.

Due to the excess of available, underutilized land, this area has the opportunity to resurrect the design intent of the past, while redefining the future of the neighborhood. As desired by the East Gateway Metropolitan Redevelopment Area Plan (MRA), the site design for Farolito is rooted in placemaking of a unique style, harkening back to the heyday of Route 66 to create a unique, vibrant, and pedestrian friendly community that creates a destination for greater Albuquerque residents as well as out-of-town visitors. A well-crafted design balance between site utilization, building elevations and massing, views, and fitting into the neighborhood context is at the core of the site and building design of Farolito Senior Community.

Route 66 and Farolito

To fit with neighborhood desires, the design features a contemporary aesthetic inspired by the vibrancy of the historic Route 66 similar and complementary to Luminaria Senior Community across the street. The aspiration of the East Gateway neighborhood is to have an identity of its own, uniquely East Central, and Farolito Senior Community will further enhance this Route 66 theme. The building design will pull in the art deco style of the 1950s into a retro Route 66 vibe by reimagining the traditional black and white checkered pattern of the Route 66 diners of the past, incorporating the diner concept into the ground level amenity spaces and through the design of a neon lighting scheme for building illumination and street activation. LED neon lighting will be incorporated into a new building mounted sign visible along Central conforming to the Route 66 Action Plan referenced in the East Gateway MRA. Building placement on the site takes advantage of the beautiful unobstructed mountain views to the northeast along with views up and down the old Route 66 in Albuquerque, while creating private residential community gathering space protected from traffic within the interior courtyard. The scale of the building fits onto the site with plenty of space for parking, an enclosed private dog park, multiple seating and gardening areas, walking paths and beautiful landscaping. All of the

adjacent vacant or underutilized parcels to the east and west of the site are zoned for high intensity mixed-use development and will be required to meet the same zoning requirements and height limit of 65 feet. New residents will help support new businesses and services to occupy these parcels. Farolito Senior Community will be developed to continue our efforts to meet the goals of the East Gateway MRA and Route 66 Action Plan and establish not only the design context for further development along East Central, but also to provide a catalyst for new commercial businesses to move back into this tight-knit community.

Massing and Elevations

To emphasize an urban edge along Central Avenue, as intended by the IDO, only minimal lengths of the site are left open to allow just enough space for two bookended vehicular access points and minimize the view of parking. By placing the length of the building along Central Avenue, the building form and site access will enhance the streetscape and modernize the relationship between the buildings, landscape, and street – an urban planning activation tool. Farolito Senior Community will help continue to set the tone for future redevelopment along East Central just as its sister site, Luminaria, has begun to do.

Site Program

Moving from overall building placement and massing that reinforces the IDO's form-based zoning – building components themselves further emphasize the pursuit towards providing site design that supports community living in balance with public-facing activation. The site is designed to meet Central Avenue's urban edge, while stepping down towards neighboring single-family residential to the north. Building components along Central Avenue include the main entry, lobby and leasing office, sidewalk and street trees along with the main entry and the most public spaces of the Farolito Community, no residential units face Central Avenue.

Site circulation is one way with the visitor parking and secure residential entry gate on the west which loops around to a right only exit on the east. Within the secured parking area, loading areas and a variety of different parking types including electric vehicle capability, line the drive path including the outermost edges of the site, creating additional buffer and transition from public facing areas to the private residences of the centralized building and amenities.

A large courtyard and 2-story community room sit at the heart of the community with indoor and outdoor connections designed to accommodate large events like holiday parties or the grand opening or small events like birthday parties or watch parties for sports or movies that can be hosted inside, outside, or a combination of the two. The large courtyard is divided into smaller more intimate outdoor experiences that are linked by a larger site-wide walking loop with benches and seasonal plantings to mark the change of seasons. This walking loop facilitates physical therapy and small walks for residents with mobility limitations while helping to create more intimate yet connecting spaces throughout the site such as the Covered Patio and Picnic Orchard located in the courtyard itself, or towards the Dog Walk and Outdoor Gathering Space along the northside of the site.

Covered Patio

This space, directly adjacent to the community room, serves as indoor-outdoor space. Located closest to the building, plant material in this area are designed to support farm to table with culinary herbs enhancing olfactory senses but also as nutritional support for the community. Residents are encouraged to interact with the plantings by either cutting herbs for use in their

kitchen or just feel the soft and fragrant leaves. Hardscape and versatile furnishings are planned in the space to support active gatherings of many sizes.

Picnic Orchard

Picnic seating and benches encourage residents to sit in respite or bring their friends, family, and grandchildren to visit and enjoy the beautiful setting, play games, and celebrate the seasons during the fruit harvests. The fruit trees mark the seasons with their blooms while fruit and fallen leaves give residents meaningful observations of their community environment to share and celebrate. The park-like feel with fruit trees and their shade canopies helps define the edge of the courtyard while buffering the parking and drive aisle to the east.

Northern Outdoor Amenities: Dog Park and Outdoor Gathering

Two prominent walking paths connect the main building to outdoor landscape amenities that separate the new mixed-use multifamily building from the existing single-family neighborhood to the north. The walking paths are marked as they cross the drive aisle to slow traffic and make the crossing points highly visible. The paths join a looping path that connects the private dog park to an outdoor gathering space along an accessible path with bioswale – intended to attract pollinators and other small wildlife for resident viewing. The outdoor gathering space is intimate and intended for small social gatherings and enrichment services events. Lighting placed low and shielded low pole lights will support neighbor concerns of the bright lights disturbing the night sky. The pollinator garden will have native non-invasive plants that provide many sources of pollen and habitat to support native wildlife, including birds, bees, and possibly native box turtles. The private dog park, walking paths, benches and a future shade structure will enhance the area as an accessible destination for all residents to enjoy.

Attachments: Appendix D:

- S4.13 FAR Site Plan
- S4.13 FAR Building Elevations
- S4.13 FAR Site Photos

14. PROJECT SITE DESIGN AND DEVELOPMENT / LANDSCAPING- Applicant should demonstrate how Landscape Design will fit into the context of the neighborhood and why the design is appropriate for that specific community. Landscape Design incorporates xeriscaping and/or rainwater collection.

The landscaping at Farolito Senior Community will be designed to meet City of Albuquerque standards and IDO zoning requirements for multifamily dwellings along a major transit corridor including the required landscape buffers and one tree per dwelling unit on first and second floors. Xeric plantings will be low-water use, non-invasive, native, and adaptable species as required by LEED for Homes.

Professionally maintained landscaping will be one of the most visible and significant ways the site will be improved, contributing toward the enjoyment of the greater community as well as enhancing the lives of the new residents. Street trees and the new landscape buffer between Central Avenue and a wide new accessible sidewalk will provide shade, a sense of scale, and security for pedestrians walking to area businesses and transit. The design will incorporate the requirements from the East Gateway Metropolitan Redevelopment Plan, IDO, and be designed

to match the style and feel of the landscape at Luminaria Senior Community. A custom mural will enhance the design of the building elevation and visually connect the two communities.

Ornamental trees will provide additional shade and beauty along the perimeter landscape buffer to the adjacent businesses and single-family homes and fruit bearing trees and kitchen herbs will supplement the landscaping within the interior courtyard surrounding the community room at the heart of the “C” shaped building. Sensory rich plantings will be placed throughout the courtyard to encourage residents to feel, smell, and remember cooking with aromatic herbs, hiking through our native lands, or collecting flowers or medicinal plants from past days and present. Picnic seating and benches encourage residents to sit in respite or bring their friends and family to visit and enjoy the beautiful setting, play games with grandchildren, and celebrate the seasons during the fruit harvests.

Attachments: Appendix D: S4.14 FAR Landscape Plan

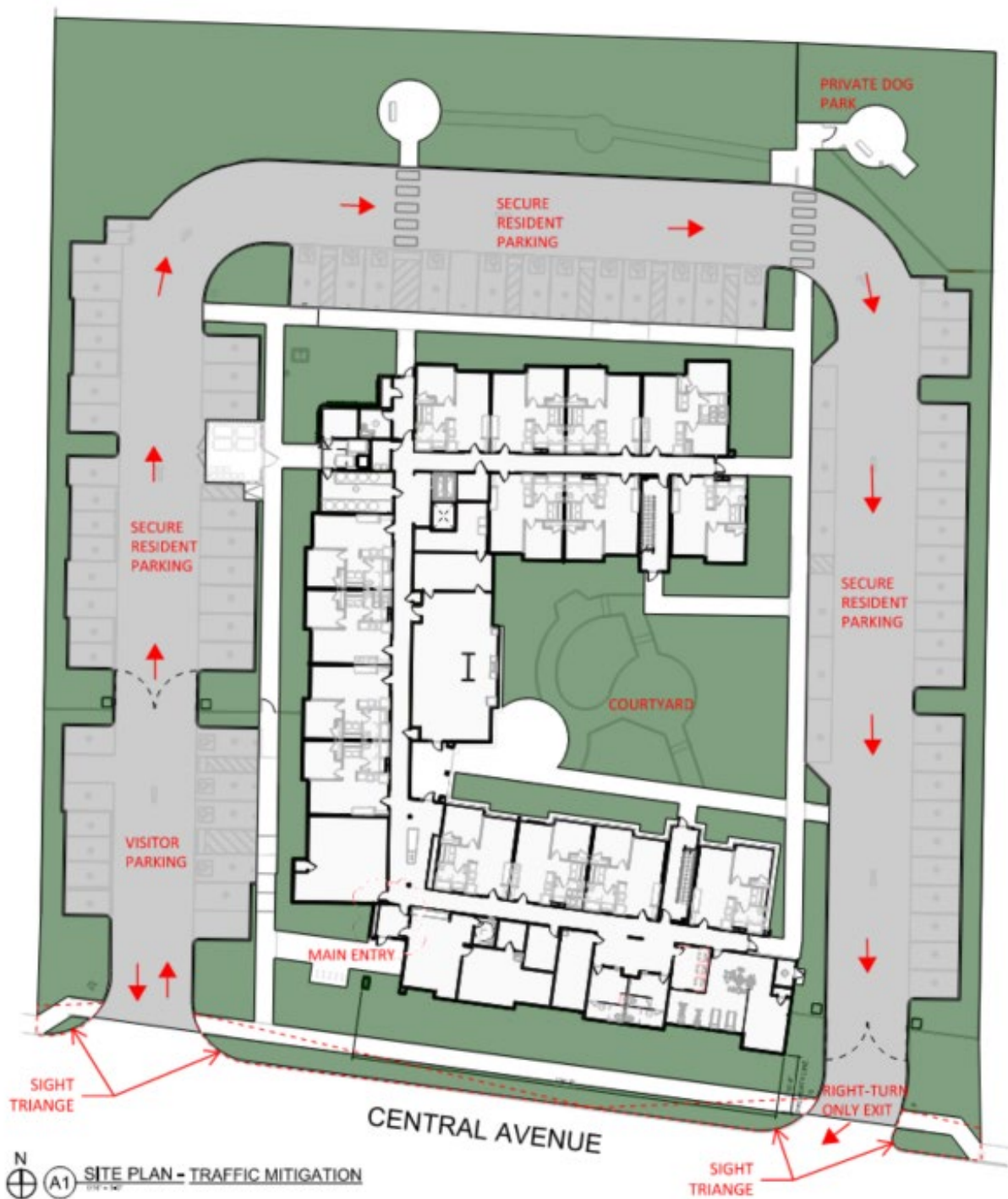
15. PROJECT SITE DESIGN AND DEVELOPMENT / TRAFFIC PLAN- Applicant should demonstrate how any traffic issues created by the project will be mitigated.

The site plan has already achieved Building Permit approval by the City Engineer and Traffic Department and has been determined to comply with Albuquerque Integrated Design Ordinance (IDO) zoning requirements and development standards outlined in the City of Albuquerque’s Development Process Manual (DPM). Traffic is mitigated through limited entry and exit locations that work with the existing road configuration and medians, placing the housing on a transit line to reduce dependence on individually owned vehicles, utilizing large sight triangles to maintain visibility of oncoming vehicles or pedestrians, and including a large interior bike storage to encourage multiple modes of transportation for residents.

The site for Farolito Senior Community is currently vacant land owned by the NM State Land Office. Through our lease and housing development, the site will be enriched with many improvements in compliance with the IDO zoning requirements and development standards outlined in the DPM which are sensitive to upgrading traffic and pedestrian safety. Traffic mitigation is incorporated into the design through multiple criteria intended to encourage vehicular access for residents, providers, and guests, while balancing pedestrian safety within the site for an enhanced pedestrian experience. Starting with a singular vehicular entry at the east side of the site from Central Avenue, traffic flow is orchestrated for ease of access, but also for secured entry. The main entry, and only entry to the site, will be located at the southwest corner of the site. Ample visitors and accessible parking are provided outside the secure “entry-only” gate for both prospective residents and visitors and includes a loading space with a 15-minute limit for deliveries. This parking depth provides sufficient queuing space for cars to wait for the gate to open. The traffic will flow in one direction around the site terminating at an “exit-only” gate at the southeast corner of the site with a right-turn only out onto Central due to a median in Central blocking left-hand turns. Sight-triangles as required by the City of Albuquerque Design Process Manual (DPM), ensure that visibility of oncoming traffic or pedestrians are visible within the public way.

Vehicular traffic around senior multifamily communities tend to be lighter as fewer residents have vehicles and drive, but those that do need to drive should have a safe means to get in and out of the property easily. This housing has also been located on a high frequency transit line,

providing seniors additional low-cost means of transportation. Ground floor interior storage for up to 21 bikes encourages residents to ride their bikes as an additional mode of transportation.



16. PROJECT SITE DESIGN AND DEVELOPMENT / WALKABILITY- Applicant should demonstrate that the project design encourages walkability, pedestrian activity, use of existing public park or recreation facilities or provides common areas for community gatherings.

Farolito Senior Community's site design and location encourages walkability, pedestrian activity, and common areas for community gatherings. Incorporating items from the East Gateway Metropolitan Redevelopment Plan, IDO, and additional requirements of the City of Albuquerque, the building forms a C-shape in the center of the site with the opening of the C-shape facing east. The main entry and leasing office, as well as bike and fitness residential amenity spaces are located on the ground level facing Central Avenue. The south building facade along Central Avenue provides a pedestrian friendly, walkable streetscape with access to transit along an accessible public sidewalk with added lighting, new low water use landscaping, and street trees. The streetscape is enhanced by ground-floor clear, transparent display windows into the residential amenities to activate the public walking path. The center of the C-shape is a large courtyard with a multiple use zone for gathering and socializing both residents and their furry pets. Looped and connected accessible sidewalks provide ample walking options to many site amenities including a large pollinator and bird-watching garden that serves as a zoning required landscape buffer to the single-family homes north of the site. Existing public park and recreation facilities at the Manzano Mesa Multigenerational Center are located within 0.8 miles of the community, encouraging use by walking or by city bus, route #2.

17. PROJECT SITE DESIGN AND DEVELOPMENT / MIXED USE- Applicant should demonstrate how Project is part of a mixed-use development, with at least two separate land uses.

N/A

18. BUILDING DESIGN AND CONSTRUCTION- Applicant should demonstrate how Buildings meet local zoning requirements for the Project Site, including requirements for unit densities, building heights, building setbacks, massing, colors, and materials.

The site at 10501 Central Avenue is currently zoned Mixed-Use – High Intensity (MX-H) allowing multifamily residential. The site and building design will comply with the general dimensional standards as required by MX-H zoning including but not limited to open space per apartment unit, building setbacks, building height and other applicable IDO sections for lighting, landscape, parking, et al.

Additionally, Farolito Senior Community will exceed the minimum dimensional requirements of the Neighborhood Edge triggered by the R-1 zoned single-family homes located along the north property line. The building is situated at or beyond 100 feet from the north property line and a landscape buffer of approximately 45-feet separates the single-family homes from parking or traffic circulation. This landscape buffer will include site amenities for Farolito residents including accessible walkways to view a large pollinator and bird-watching garden, a private dog exercise park, and low-water use sensory plantings that residents can feel, smell, and remember gardens and hikes of their past. Accessible benches will provide respite during strolls and nodes of social interaction with fellow residents.

Attachment: Appendix D: S4.18 Site Development Plan

19. BUILDING DESIGN AND CONSTRUCTION / ADA ACCESSIBILITY- Applicant should demonstrate how the Project's total percentage of Type A Accessible Units exceeds the minimum required by the NM Residential Building Code. (Example: Total number and percentage of units that are required to be Type A Accessible under NM Residential Building Code: _____ # of units _____% of units. Total number and percentage of units in the proposed project that will be Type A Accessible _____ # of units _____% of units)

Farolito Senior Community will exceed the 5% minimum building codes required for the percentage of units (5 units) designed to Type A accessibility. Of the 82 units total, 10.9% or 9 units will be Type A units, the remaining 73 units will be designed as Type B adaptable units per the required standards for accessible design for projects with federal funding.

In conjunction with the increase in accessible units recommended in the 2018-2022 Consolidated Plan, our compliance with Universal Design, and as part of our LEED-H certification, we also seek to achieve the Designing for Accessibility, LEED for Homes Pilot MRpc34. The Pilot requires 10% of units to be designed as Type A and all the following be incorporated into the accessible design of the building and site plan:

- an accessible primary entrance to each building and apartment,
- accessible passage doors into all occupiable spaces within the apartments,
- bathrooms with accessible fixtures, clear floor space and storage,
- operable parts within accessible reach range within apartments,
- laundry equipment has controls and access that is accessible,
- kitchens with ADA appliances and clear floor space as well as storage within reach,
- operable windows with easy to operate cranks or other accessible operations within reach,
- a variety of functional storage within reach and with clear floor space,
- accessible ramps as needed along accessible routes,
- an elevator to provide an accessible route to all apartments and amenities

Both accessibility and Universal Design elements are needed for this Pilot Credit, and they align with our goals to give our senior households stability to remain in their home as they age-in-place and their mobility changes.

20. BUILDING DESIGN AND CONSTRUCTION / UNIVERSAL DESIGN -Applicant should demonstrate how the Project incorporates elements of Universal Design.

The project overall, including apartments, and all residential amenity areas on the site, incorporate Universal Design Principles to provide equitable use among all residents and provide greater adaptability for aging-in-place. The design provides accessibility, security, and safety for residents and visitors. Beyond the requirements of Type "A" accessible and Type "B" adaptable dwelling units designated by code, the dwelling units are designed to meet the needs of people with diverse mobility needs to increase housing stability for seniors. Housing stability is as critical as access to affordable housing options. The ability for the apartment to accommodate mobility devices and other limits to range of motion or reach, helps the resident stay in their home longer and through short-term or long-term medical conditions not impacting independent living. Apartment features include wider 3-foot doorways into all occupiable

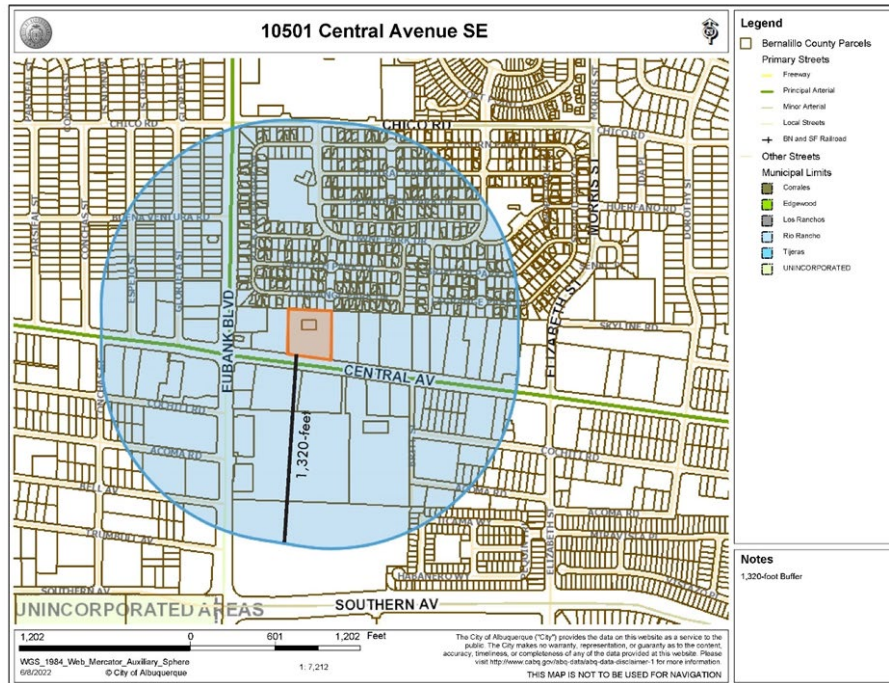
rooms, ample clear floor space, taller toilets in bathrooms, removable cabinets with clear worksurfaces in the kitchen, operable devices or equipment within a shortened reach range, and blocking for installation of grab bars, all of which increase the flexibility of the home to meet the resident's needs, and their visitors, for a much longer period of time as a senior ages-in-place. Eye viewers in unit entry doors at multiple heights, generous natural light with window shades for light control, hard flooring without transition strips, high quality air filters, acoustic separation from other apartments, and thoughtful storage solutions are additional design features within all apartments that are encouraged through Universal Design Principals.

The overall building and site design also incorporate Universal Design Principals. The building design is simple and intuitive with amenity spaces near the elevator at the heart of the building, conditioned corridors, covered exterior spaces, and accessible routes through the entire site and to each resident amenity that encourage residents to utilize as many building and site features as possible. Built-in ease of access features such as push-button door operators at main entry and resident entry doors, key fob operated doors at all resident amenity spaces, and well placed and accessible seating are provided throughout the design. Use of color and image wayfinding per floor, lots of natural light within the hallways, seating to rest at the elevator lobbies on each floor, and the compact four-story design help residents navigate the hallways to their home. The dog wash amenity with an accessible ramp for the pet also helps residents maintain and groom their pets for improved indoor air quality. Each feature provides added benefits to each apartment home and provides a simple and effective supportive environment to all residents.

21. NEIGHBORHOOD OUTREACH / NOTIFICATION TO RESIDENTS & COMMUNITY MEETING - Applicant should demonstrate that it disseminated flyers at public/community locations within 1/4 mile of proposed project and send emails or letters to neighborhood associations or area residents within 1/4 mile of proposed project, informing of the proposed project and community meeting to be held to allow for feedback. Applicant demonstrates that it held a community meeting with attendees about the proposed project (must be 6 months current)

Addresses of area residents within a ¼ mile of the project were obtained using the City of Albuquerque's AGIS software and the buffering polygon tool. A ¼ mile buffer was drawn around the subject property and all addresses within the buffer area were downloaded to create mailing labels. Flyers were created and mailed via first-class postage to addresses within ¼ mile of the subject site. The flyer provided the address of the subject site, the time, date, and purpose of the meeting, and a QR code to access the online webinar. Approximately 490 flyers were mailed to area residents. The meeting notification was also posted at area businesses, emailed to affected Neighborhood Association representatives provided by the Office of Neighborhood Coordination, and posted to Sol Housing's Facebook page.

Buffering map next page



Sol holds community meetings to listen to and provide affected neighbors and businesses an opportunity to get to know Sol, preview the proposed plans, ask questions, and voice concerns about a proposed development. Sol held its second virtual community meeting regarding Farolito to provide construction updates via Zoom on Monday, June 17, 2024, at 5:00 pm. You can find the recording of the meeting at <https://youtu.be/3tMt13d93Wo>.

Meeting agenda:

- Welcome and Introductions
- Introduction to Sol Housing
- Construction Update
 - Site Plan
 - Timeline and Next Steps
- Color Study
 - Feedback: Color Selection
- Questions

Attachment: Appendix D: S4.21 Public Meeting Documentation

- Public Meeting Flyer
- Email from ONC
- Address labels
- Photo of flyer posted
- Emails to NAs
- Social Media Post
- Power Point Presentation with Agenda
- Meeting Minutes
- Zoom chat log
- Zoom attendee list

Section 5: Disclosures, Release of Information, and Certification

Prior Foreclosure:

Developer/Co-Developer must list any projects they have owned or developed that has received a notice of default prior to foreclosure that has not been cured, is in the process of foreclosure, or has been fully foreclosed upon while the Applicant, Developer, general partner (or Person with a Controlling Interest in any of these entities) has/had an interest and/or involvement in the project and acknowledge the disclosures regarding the foreclosed property are accurate.

Project Name: N/A	Project Address:
Project Name: N/A	Project Address:

Removal by Development Team Member:

Developer/Co-Developer must list any projects previously awarded Federal, City, or Tax Credit funding within the last five (5) years in which they were terminated or removed by any other member of the Development Team.

Project Name: N/A	Project Address:
Project Name: N/A	Project Address:

Fraud and Misrepresentation:

Developer/Co-Developer must list any conviction, current indictment or complaint, or circumstances where it has been found liable, or is currently accused of fraud, in this State or any other State, or misrepresentation relating to: (a) issuance of securities; (b) the development, construction, operation or management of a Tax Credit or other government subsidized housing program; (c) the conduct of the business of the Developer, general partner or any Person with a Controlling Interest in either such party in any administrative or other proceeding; or (d) any filing with the Internal Revenue Service in any State.

1. N/A
2. N/A

Disclosures

The undersigned hereby certifies that the statements made in this application are true, correct and complete.

Developer Name: Sol Housing	
Developer Signature: <i>Felipe Rael</i>	Title: Executive Director
Printed Name: Felipe Rael	Date: June 27, 2024

Co-Developer Name: N/A	
Co-Developer Signature: N/A	Title: N/A
Printed Name: N/A	


AUTHORIZATION FOR RELEASE OF DEVELOPER TEAM INFORMATION

The form is to be completed and submitted for each member of the development team as reflected in the attached list of the Development Team.

To complete this form, please enter the required information and signature in the lower table. The upper table will be completed by the City.

Project Name: Farolito Senior Community
Developer Team Member Company: Sol Housing

We hereby request and authorize you to release to the City of Albuquerque, New Mexico (City) any information regarding the Development Team Member listed above, as it relates to their performance in the development and operation of housing under a federal, state or local governmental agency or program. This includes curing of or failure to cure any project non-compliance, and any formal/informal action by your agency as it relates affordable housing development.

Developer Team Member Company Name: Sol Housing	
Developer Team Member Signature:  Felipe Rael (Jun 17, 2024 10:15 MDT)	Date: 06/17/2024
Printed Name: Felipe Rael	Title: Executive Director

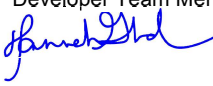
AUTHORIZATION FOR RELEASE OF DEVELOPER TEAM INFORMATION

The form is to be completed and submitted for each member of the development team as reflected in the attached list of the Development Team.

To complete this form, please enter the required information and signature in the lower table. The upper table will be completed by the City.

Project Name: Farolito Senior Community
Developer Team Member Company: Dekker/Perich/Sabatini

We hereby request and authorize you to release to the City of Albuquerque, New Mexico (City) any information regarding the Development Team Member listed above, as it relates to their performance in the development and operation of housing under a federal, state or local governmental agency or program. This includes curing of or failure to cure any project non-compliance, and any formal/informal action by your agency as it relates affordable housing development.

Developer Team Member Company Name: Dekker/Perich/Sabatini	
Developer Team Member Signature: 	Date: 06/18/2024
Printed Name: Hannah Feil Greenhood	Title: Principal/Architect

AUTHORIZATION FOR RELEASE OF DEVELOPER TEAM INFORMATION

The form is to be completed and submitted for each member of the development team as reflected in the attached list of the Development Team.

To complete this form, please enter the required information and signature in the lower table. The upper table will be completed by the City.

Project Name: Farolito Senior Community
Developer Team Member Company: Green Insight, LLC

We hereby request and authorize you to release to the City of Albuquerque, New Mexico (City) any information regarding the Development Team Member listed above, as it relates to their performance in the development and operation of housing under a federal, state or local governmental agency or program. This includes curing of or failure to cure any project non-compliance, and any formal/informal action by your agency as it relates affordable housing development.

Developer Team Member Company Name: Green Insight, LLC	
Developer Team Member Signature: <u>Ryan Moore</u> <small>Ryan Moore (Jun 21, 2024 11:35 EDT)</small>	Date: 06/21/2024
Printed Name: Ryan Moore	Title: Managing Director

Applicant Certification

The undersigned hereby certify that the Project will comply with:

- All State and Local regulations, codes and ordinances that apply to the project
- All Federal regulations, codes and statutes that apply to the project, including but not limited to U.S. Department of Housing & Urban Development, Office of Fair Housing & Equal Opportunity-Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. 40, Appendix A, Section 504 of the Rehabilitation Act of 1973 (Section 504), 29 U.S.C. 794; 24 C.F.R. Part 8, and the Fair Housing Act (42 U.S.C. 3601-20; 24 C.F.R. Part 100); and/or the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).
- All current International Energy Conservation Code standards

The undersigned acknowledges the receipt of affordability requirements for the funding source being requested and understands that the required affordability terms will be imposed upon the Project should funding be awarded.

The undersigned hereby applies for the item(s) as specified above and represents that the property described herein will not be used for any illegal or restricted purposes. The undersigned certifies that the statements made in this application and all attachments are true, correct and complete. Verification may be obtained from any source necessary.

Original Signature Required

Applicant Name: Sol Housing	
Applicant Representative Signature: <i>Felipe Rael</i>	Title: Executive Director
Printed Name: Felipe Rael	Date: June 27, 2024

APPENDIX #8: Representations and Certifications

The undersigned HEREBY GIVE ASSURANCE THAT:

The Applicant agency named below will comply and act in accordance with all federal laws and Executive Orders relating to the enforcement of civil rights, including but not limited to, Federal Code, Title 5, USCA 7142, Sub-Chapter 11, Anti-discrimination in Employment, and Executive Order number 11246, Equal Opportunity in Employment; and

That the Applicant agency named below will comply with all New Mexico State Statutes and City Ordinances regarding enforcement of civil rights; and

That no funds awarded as a result of this request will be used for sectarian religious purposes, as specified in the *Administrative Requirements for Social Services Contracts Awarded Under the City of Albuquerque*, §10(C)(4), that: Contractors are required to assure that no funds awarded through the program will be used for sectarian religious purposes, specifically that: a) there will be no religious test for admission for services; b) there will be no requirement for attendance at religious services; c) there will be no inquiry as to a client's religious preference or affiliation; d) there will be no proselytizing; and e) services provided will be secular and non-sectarian.

However, eligible activities, as determined by the fund source, and inherently religious activities may occur in the same structure so long as the religious activity is voluntarily and separated in time and/or location.

Agency Name Sol Housing fka Greater Albuquerque Housing Partnership

Typed Name of Authorized Board Official: Felipe Rael

Title: Executive Director

Signature: 
Felipe Rael (Jun 6, 2024 16:51 MDT) Date: 06/06/2024

City of Albuquerque
Department of Health, Housing & Homelessness
APPENDIX #9: Attachments on File

Instructions: If an Applicant has received a social services contract from the Department of Health, Housing & Homelessness within the past 12 months and submitted the required attachments, it is not necessary to resubmit the attachments if there has been no change in the information requested. If the documents currently on file with the City remain current, check the box marked current. If there has been any change in status of documents currently on file (e.g., changes in board members, organizational structure, etc.) check the box marked “Revised Attached” and submit the revised document with the project proposal.

Document	Current		Revised Attached
Certificate of Non-Profit Incorporation	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Articles of Incorporation	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Current By-Laws	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Applicable Licenses	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Listing of Current Board Members	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Current Organization Chart	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Travel Reimbursement Policies (if Applicable)	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Accounting Policies and Procedures	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Personnel Policies and Procedures	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Conflict of Interest Statement	<input type="checkbox"/>		<input checked="" type="checkbox"/>
New Mexico Certificate of Good Standing	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Job Descriptions / Résumés of Key Personnel	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Agency’s Most Recent Audit	<input type="checkbox"/>		<input checked="" type="checkbox"/>

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: MAY 12 1999

GREATER ALBUQUERQUE HOUSING
PARTNERSHIP
C/O LORETTA NARANJO-LOPEZ
925 6TH ST NW STE 3
ALBUQUERQUE, NM 87102-2075

Employer Identification Number:
85-0412352
DLN:
17053051703019
Contact Person:
JEFFREY D SPROUL ID# 31182
Contact Telephone Number:
(877) 829-5500

Addendum Applies:
No

Dear Applicant:

Based on the information you recently submitted, we have classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Internal Revenue Code because you are described in sections 509(a)(1) and 170(b)(1)(A)(vi).

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in 501(c)(3) is still in effect.

This classification is based on the assumption that your operations will continue as you have stated. If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status.

This supersedes our letter dated April 1, 1998.

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, you should keep it in your permanent records.

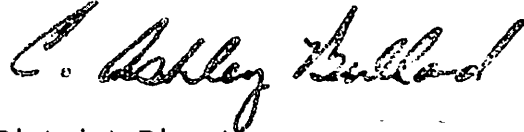
Letter 1078 (DO/CG)

-2-

GREATER ALBUQUERQUE HOUSING

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "C. Valley".

District Director

Greater Albuquerque Housing
Partnership

Tax Exempt Organization Search Details | Internal Revenue Service

EIN: 85-0412352 | Albuquerque, New Mexico, United States

Publication 78 Data

Organizations eligible to receive tax-deductible charitable contributions. Users may rely on this list in determining deductibility of their contributions.

On Publication 78 Data List: Yes

Deductibility Code: PC [?](#)

Copies of Returns (990, 990-EZ, 990-PF, 990-T)

Electronic copies (images) of Forms 990, 990-EZ, 990-PF or 990-T returns filed with the IRS by charities and non-profits.

✓ Tax Year 2021 Form 990
✓ Tax Year 2020 Form 990
✓ Tax Year 2019 Form 990
✓ Tax Year 2018 Form 990
✓ Tax Year 2016 Form 990
✓ Tax Year 2016 Form 990



STATE OF NEW MEXICO

MAGGIE TOULOUSE OLIVER

SECRETARY OF STATE

Type or Print Legibly
\$20 Filing Fee

Nonprofit Corporation

Articles of Amendment

Pursuant to the provisions of the New Mexico Nonprofit Corporation Act the undersigned corporation adopts the following Articles of Amendment for the purpose of amending its Articles of Incorporation:

Article One: *The **business ID number, name, and DBA name(s)** of the corporation as currently registered and :
The Greater Albuquerque Housing Partnership (#1613249)

Email Address: info@solhousing.org Phone Number: (505) 244-1614

Article Two: *The Articles of Incorporation are amended as follows: (please reference the article number from your original Articles of Incorporation being amended along with the amended information)
Paragraph First: Name shall be amended to read:

"The Name of the corporation is Sol Housing."

Article Three: *Select the applicable statement, and complete accordingly

☐

The amendment was adopted by a meeting of members on the following date: _____

OR

☒

The amendment was adopted by a meeting of the board of directors on the following date: January 9, 2024

OR

☐

The amendment was adopted by written consent of all members entitled to vote thereon.

*Executed Date: February 28, 2024

Future Effective Date (optional): _____

Must be signed by two officers:



*Signatures of Officers

Tessah Latson, Board President

Russell Brito, Board Vice President

*Printed Names and Titles

325 DON GASPAR, SUITE 300 | SANTA FE, NEW MEXICO 87501
PHONE: (505) 827-3600 or (800) 477-3632 | FAX: (505) 827-8081
WWW.SOS.STATE.NM.US



STATE OF NEW MEXICO

MAGGIE TOULOUSE OLIVER

SECRETARY OF STATE

Certificate of Amendment

OF

Sol Housing

1613249

New Mexico

The Office of the Secretary of State certifies that the Articles of Amendment, duly signed and verified pursuant to the provisions of the

Nonprofit Corporation Act

53-8-1 to 53-8-99 NMSA 1978

have been received and are found to conform to law. Accordingly, by virtue of the authority vested in it by law, the Office of the Secretary of State issues this Certificate of Amendment and attaches hereto a duplicate of the Articles of Amendment.

Dated: February 28, 2024

In testimony whereof, the Office of the Secretary of State has caused this certificate to be signed on this day in the City of Santa Fe, and the seal of said office to be affixed hereto.



Maggie Toulouse Oliver

Maggie Toulouse Oliver
Secretary of State

MAY 11 1993

CORPORATION DEPARTMENT

1613249

FIRST STATED
ARTICLES OF INCORPORATION
OF
THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP

The undersigned President and Secretary of The Greater Albuquerque Housing Partnership, a nonprofit New Mexico corporation, acting at the direction of the Board of Directors pursuant to Sections 53-8-37 and 53-8-39 of New Mexico Nonprofit Corporation Act (N.M.S.A. 1978) hereby state the Articles of Incorporation of The Greater Albuquerque Housing Partnership as follows:

FIRST: Name. The name of the corporation is The Greater Albuquerque Housing Partnership

SECOND: Duration. The period of duration of the corporation is perpetual.

THIRD: Purpose. The purposes for which the corporation is formed are exclusively charitable. The corporation does not contemplate pecuniary gain or profit, direct or indirect, for its directors or officers. The specific purposes are as follows:

A. To combat deterioration of lower income communities;

B. To provide new housing opportunities that will combat racial and other forms of illegal discrimination in the housing market;

C. To ease the burdens of government by operating affordable housing programs, including specific programs initiated at the direction of the City of Albuquerque that would otherwise be the City's direct responsibility;

D. To provide new opportunities for decent, affordable housing, with the goal that a substantial number of households receiving special assistance (such as low-cost financing) have lower incomes.

FOURTH: POWERS. The corporation shall have the following powers:

A. To perform any acts necessary and proper to promote the foregoing charitable purposes of the corporation.

B. To perform all acts and exercise all powers authorized by the Nonprofit Corporation Act, Sections 53-8-1 through 53-8-99, N.M.S.A. 1978, as now or hereafter amended, and to perform all acts and exercise all powers that a nonprofit corporation is authorized to do under all applicable statutes of New Mexico, as now or hereafter amended, including without limitation, the following:

(1) To purchase, receive, lease, take by grant, gift, devise, bequest or otherwise acquire, own, hold, improve, employ, use and otherwise deal in and with real and personal property, or any interest therein, wherever situated;

(2) To sell, convey, lease, exchange, transfer, or otherwise dispose of, or mortgage or pledge, or create a security interest in, all or any of its property, or any interest therein, wherever situated;

(3) To provide technical assistance and training services to other nonprofit housing organizations;

(4) To act as the developer or co-developer of affordable housing projects, to establish and administer a housing loan and grant program, to provide educational services about affordable housing issues, and to engage in other housing loan programs, to provide educational services about affordable housing issues, and to engage in other housing services and programs in furtherance of the corporation's purposes;

(5) To receive and administer funds and contributions received by gift, deed, bequest or devise and to hold, invest, expend, contribute or otherwise dispose of such funds and contributions for the purposes for which this corporation is organized;

(6) To borrow money and make, execute or issue bonds, debentures, promissory notes or other corporate obligations for money borrowed, or in payment for property acquired, and to secure the payment of any such corporate obligations by pledge, mortgage, indenture, agreement or otherwise;

(7) To enter, make, perform and carry out contracts, agreements, commitments and assurances of every kind for the purposes for which this corporation is organized;

(8) In doing, exercising or performing any of the foregoing, to do the same as a contractor, subcontractor, principal, agent, employee or on its own behalf, or in association, partnership, corporation or joint venture with any person, partnership, corporation, governmental agency, joint venture or other business entity; and,

(9) To do such things as are incidental to the foregoing purposes and powers.

C. The corporation shall neither have nor exercise any power nor shall it directly or indirectly engage in any activity that would result in its net earnings inuring to the benefit of any private person.

FIFTH: Membership. The Corporation shall not have any members as that term is defined by the New Mexico Nonprofit Corporation Act.

SIXTH: Location of Corporate Activities. The territory in which the Corporation's activities shall principally be located is the Albuquerque metropolitan area, State of New Mexico.

SEVENTH: Charitable Purpose.

A. Notwithstanding any other provision of these Articles, the corporation is organized exclusively for charitable purposes as specified in Section 501(c)(3) of the United States Internal Revenue Code of 1986 (formerly known as the Internal Revenue Code of 1954), as the same may be amended from time to time. Accordingly, the corporation shall not carry on any activities or have or exercise powers not permitted to be carried on or exercised (1) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or (2) by a corporation contributions to which are deductible under Section 170 (c)(2) of the Internal Revenue Code of 1986, as amended.

B. As used in these Articles, all references to provisions of the Internal Revenue Code of 1986 mean the current provisions and the corresponding provisions of any future United States Internal Revenue law. If any of the code provisions referred to in these Articles is amended to permit activities to be carried on by a corporation subject to that section, the corporation shall be authorized to carry on such activities permitted in that section as amended.

EIGHTH: Limitation on Corporate Activities. It is the intention of the corporation to qualify and remain qualified as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Accordingly:

A. No part of the net earnings of the corporation shall inure to the benefit of any individual, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein.

B. No substantial part of the activities of the corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation; nor shall the corporation participate in, or intervene in (including the publication and distribution of statements) any political campaign on behalf of any candidate for public office.

C. Upon dissolution of the corporation, the Board of Directors shall, after paying and making provisions for the

payment of all of the liabilities of the corporation, dispose of all the assets of the corporation in such manner or to such organization of organizations organized and operated exclusively for charitable, educational, or scientific purposes under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law, as the Board of Directors shall determine. Any such assets not disposed of shall be disposed of as specified in a plan of distribution adopted as provided in the Nonprofit Corporation Act.

D. In the event that in any year the corporation qualifies as a "private foundation" as that term is defined in Section 509 of the Internal Revenue Code of 1986, as amended,

(1) The corporation shall distribute its income for the taxable year at such time and in such manner as not to subject the corporation to tax under Section 4942 of said Code, and

(2) The corporation shall not:

(a) engage in any act of self-dealing as defined in Section 4941 of said Code;

(b) retain any excess business holdings as defined in Section 4943 of said Code;

(c) Make any investments in such manner as to subject the corporation to tax under section 4944 of said Code; or,

(d) Make any taxable expenditures as defined in Section 4945 of said Code.

NINTH: Transactions with Interested Directors or Officers. No director or officer of the corporation shall, in the absence of fraud, be disqualified by that office from dealing or contracting with the corporation either as a vendor, purchaser, or otherwise, nor in the absence of fraud shall any contract, transaction or act of the corporation be void or voidable or affected because of the fact that such director or officer or any partnership of which any director or officer shall be a partner or employee, or any corporation of which any such director or officer is an officer, director, shareholder or employee, has any interest in such contract, transaction or act, whether or not adverse to the interests of the corporation; provided, however that the director or directors, officer or officers having such interest shall not participate in the vote of the Board to obligate the corporation upon such contract, transaction or acts nor shall the vote of the director or directors, officer or officers having such interest be counted in establishing a quorum of the Board; and no director or directors, or officer or officers having such interest shall be liable to the corporation or to any shareholder or creditor thereof, or to any other person

for any loss incurred by it, under or because of any such contracts, transactions or act; nor shall any such director or directors officer or officers be accountable for any gain or profits realized thereon.

TENTH: Initial Incorporators. The name and street address of each incorporator is:

<u>Name</u>	<u>Address</u>
Ernest E. Ortega	- 5101 Copper Ave., NE, Albuquerque, NM 87108
Dory Wegrzyn	- 5101 Copper Ave., NE, Albuquerque, NM 87108
Rudy Chavez	- 5101 Copper Ave., NE, Albuquerque, NM 87108

The address of the initial registered office of the Corporation is 5101 Copper Ave., NE, Albuquerque, NM 87108 and the name of the initial registered agent for The Greater Albuquerque Housing Partnership at such address is Ernest E. Ortega.

ELEVENTH: Initial Board of Directors. The affairs and business of the Corporation shall be managed by a Board of Directors consisting of not less than three (3) persons. The initial incorporators shall serve as the initial directors.

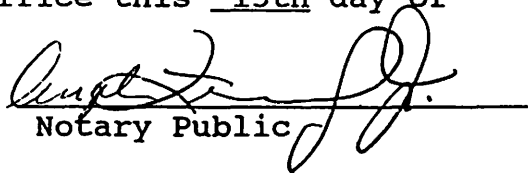
An Affidavit signed by each Director consenting to being a Director is on file with the Corporation.

ACKNOWLEDGMENT

STATE OF NEW MEXICO)
)ss.
COUNTY OF BERNALILLO)

BEFORE ME, the undersigned Notary Public, on this day personally appeared Ernest E. Ortega, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

Given under my hand and seal of office this 15th day of April, 1993.


Notary Public

My Commission Expires:

6-31-93

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

The foregoing Stated Articles of Incorporation of *THE GREATER*
Albuquerque Housing Partnership was acknowledged before me this 30 day of
April, 1993 by *Lina Jones*, Secretary.

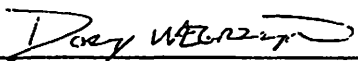

Notary Public

My Commission Expires:
6-21-93


ORIGINAL INCORPORATORS APRIL 15, 1993



ERNEST E. ORTEGA



DORY WEGRZYN



RUDY CHAVEZ

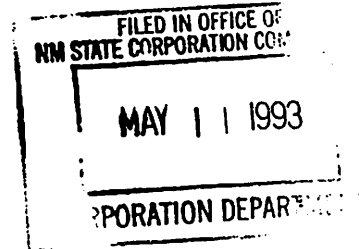
**AFFIDAVIT OF ACCEPTANCE OF APPOINTMENT
BY DESIGNATED INITIAL REGISTERED AGENT**

To the State Corporation Commission
State of New Mexico

STATE OF New Mexico)

COUNTY OF Bernalillo)

SS.:



On this 15th day of April, 19 93, before me a Notary Public in and for the State and County aforesaid, personally appeared Ernest E. Ortega, who is to me known to be the person and who, being duly sworn, acknowledged to me that he does hereby accept his appointment as the Initial Registered Agent of The Greater Albuquerque Housing Partnership

the Corporation which is named in annexed Articles of Incorporation, and which is applying for a Certificate of Incorporation pursuant to the provisions of the Nonprofit Corporation Act of the State of New Mexico.

Ernest E. Ortega

REGISTERED AGENT'S SIGNATURE

BY (I) Ernest E. Ortega

X

PRESIDENT

Subscribed and sworn to before me on the day, month, and year first above set forth

NOTARY PUBLIC

Commission Expires: 6-21-93

(Notarial seal)

NOTE: (1) If the Agent is a Corporation then the affidavit must be executed by the President or Vice-President of the Corporation.

THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP

AMENDED BYLAWS:

Amended: July 28, 1998

Amended: April 14, 2020

Amended: December 7, 2021

ARTICLE I

NAME

The name of this corporation shall be The Greater Albuquerque Housing Partnership, hereinafter called the "Corporation."

ARTICLE II

PURPOSE

The purposes for which the Corporation is formed are exclusively charitable. The specific purposes are as follows:

- A. To combat the deterioration of lower income communities;
- B. To provide new housing opportunities that will combat racial and other forms of discrimination in the housing market;
- C. To provide new opportunities for decent housing that is affordable to low and moderate-income persons.

ARTICLE III

LEGALLY MANDATED DUTIES

Section 3.01, Duty of Care. All board members must care for the rights and needs of the members and ensure that the mission of the Corporation is followed, as well as to exercise fiduciary responsibility. Board members will be responsible for reading the strategic plan, previous and current board minutes, fiscal reports, and any other pertinent documents describing the Corporation and the decisions it has made. This standard requires that each board member:

- A. Be reasonably informed of the Corporation's activities, programs, and finances;
- B. Participate in decisions through active participation in board meetings and voting;
- C. Do so in good faith and with care of "an ordinarily prudent person in similar circumstances", meaning that a board member must review the documents noted in a timely and careful manner, must apply good business judgment, and must act to ensure that appropriate professional expertise is solicited and monitored.

Section 3.02, Duty of Loyalty. A board member shall put the interest of the Corporation ahead of the member's own interest. Once a vote has been taken, an individual director should

support the decision of the board. Board members shall maintain confidentiality in the Corporation decision-making activities when they are not to be a matter of public record.

Section 3.03, Duty of Obedience. All board members must follow written policies, rules, and procedures; Articles of Incorporation; and these bylaws. Board Directors, always, will perform their duties in compliance with the law.

ARTICLE IV **BOARD OF DIRECTORS**

Section 4.01, Authority. Except as otherwise required by law or provided by these bylaws, the entire control of the Corporation and its affairs and property shall be vested in its Board of Directors, hereinafter called the Board".

Section 4.02 Composition. The Board shall consist of at least five (5) but no more than nine (9) members, all of whom shall be volunteers and not paid personnel of this Corporation. During any period in which the Corporation is applying or expending funds from the federal HOME program, the composition of the Board shall meet the requirements of a Community Housing Development Corporation (CHDO) as defined by that program. In addition, the Executive Director shall serve as a non-voting ex-officio member of the board.

Section 4.03 Nominations. The Board may elect new Directors at any time to fill Board vacancies or expand the existing number of Directors in accordance with Section 4.02 so long as the requirements of this section are met. Five (5) days prior to the election of any new Director, the existing Board shall receive a resume of proposed new Directors for their review and consideration.

Section 4.04, Terms. The Board shall be elected for staggered terms of two years according to election policies established by the Board. The term of office shall commence at upon election. Directors elected by Special Election shall serve terms established at the time of their election, consistent with the provisions of these Bylaws. No person may serve more than four consecutive two-year terms.

Section 4.05, Term of Office following a Vacancy. A Director may be elected or appointed to fill a vacancy created by a board member's departure before the end of a regular term. The term will begin at the next regular board meeting and continue for the remainder of the vacated term. Partial terms shall not be included in the term limit as described in Section 4.04.

Section 4.06, Regular Election. Directors shall be elected at a duly scheduled Meeting of the Board of Directors. The Board shall establish policies governing the nomination and election of the Board, provided that the Board itself shall elect members to the Board.

Section 4.07, Special Election to Fill Vacancies. The Board may fill vacancies consistent with the nomination and election procedures established by the Board.

Section 4.08, Resignation. Any Director may resign at any time by giving written notice to the President or the Executive Director. Unless otherwise specified, such resignation shall be effective upon the receipt of notice by the President or the Executive Director.

Section 4.09, Constructive Resignation. A Director who fails to attend three consecutive meetings of the Board, except for Emergency Meetings, shall be deemed to have resigned from the Board unless good cause for absence and a continuing interest in participation on the Board are recognized by the Board. Such Director shall be provided an opportunity by the Board to establish good cause for absence and a continuing interest in participating prior to the resignation deemed to have occurred shall take effect.

Section 4.10, Removal of Directors. A Director of the Corporation may be removed for good cause by the Board when such Director is judged to have acted in a manner seriously detrimental to the best interests of the corporation. Removal must be by a two-thirds (2/3) majority vote of the Board at a Board meeting; a quorum being duly assembled. The Director who is the subject of a removal action shall not be permitted to vote on their removal and their presence shall not count toward establishing a quorum of the Board for the purposes of this paragraph.

Section 4.11, Day-to-Day Management. The Board of Directors may employ an Executive Director to implement the Corporation's policies and procedures and to administer its day-to-day operations, including staff management. Implementation of the policies and procedures and staff direction shall be at the sole discretion of the Executive Director, subject to Board of Directors appeal and review processes.

Section 4.12, Duties of the Board. The duties of the Board of Directors include but are not limited to:

- A. Oversee the financial affairs and activities of the Corporation.
- B. Perform an annual review of salary considerations for the Executive Director.
- C. Authorize the highest-ranking officer of the Board to manage the affairs of the Corporation in the unexpected departure of the Executive Director.
- D. Appoint an interim Executive Director within thirty (30) days of the vacancy of the Executive Director.
- E. Lead the search effort for the hiring of a new Executive Director.
- F. Review the Corporation's Articles of Incorporation and Bylaws periodically and recommend any changes/modifications as needed.
- G. Such other powers and duties as may be determined from time to time by the Board of Directors.

Section 4.13, Conflict of Interest. The conflict-of-interest policies shall apply to the procurement and disposition of all real property, equipment, supplies, and services by the Corporation and to the Corporation's provision of assistance to individuals, businesses, and other private entities. The Directors shall not use their position to profit personally at the expense of the Corporation. During their tenure, no member of the Board shall vote on any

matter in which such Director, parent, spouse, child, partner, employer, or similar related business that would be specifically, directly, or substantially affected by such action. The Board may establish additional reasonable policies to protect against any conflict of interest that could be detrimental to the corporation.

Section 4.14, Compensation. No voting Director shall receive any compensation for services as a director.

ARTICLE V

MEETINGS OF THE BOARD OF DIRECTORS

Section 5.01, Open Meetings Act. The GAHP Board of Directors will comply with the Open Meetings Act NMSA 1978 § 10-15-1. The Board will evaluate annually what constitutes reasonable notice for all regular, special, and emergency meetings as expected by the New Mexico Open Meetings Act and will approve a resolution adopting policies and procedures for complying with the Act. The resolution will be posted for public information.

Section 5.02, Regular Meetings. The Board will meet at least quarterly, at such time and places as the Board may establish. Board meetings will comply with the New Mexico Open Meetings Act and its annually passed Open Meetings Act Resolution.

Section 5.03, Annual Meetings. The Annual Meeting of the Board shall be held in the Fourth (4th) quarter of each calendar-year separate and distinct from a regular meeting. The Annual Meeting will comply with the New Mexico Open Meetings Act and its annually passed Open Meetings Act Resolution.

Section 5.04, Special Meetings & Emergency Meetings. Special meetings may be called by the President, or by any three Directors. Notice must be given as provided in section 5.01 of this Article, above, unless any three Directors determine that the matter at hand constitutes an emergency, in which case an Emergency Meeting may be called with notice given one day in advance of the meeting. Notice of Emergency Meetings shall be given to all directors, and may be given by phone or in person, and shall include a description of the subject matter to be discussed at the meeting. At any Special Meeting or Emergency Meeting, only those matters included in the notice may be acted upon unless all the Directors are present at the meeting and consent to act on other matters.

Section 5.05, Closed Meetings. Closed meetings of the GAHP Board of Directors are limited to those subject matters allowed to be closed to the public under the New Mexico Open Meetings Act. No other business than the business stated on the published agenda for the closed meeting may be covered in a closed meeting and no action will be taken in closed session. In open session following the closed session, or at the next Open Meeting immediately following the closed meeting, the Board will state on the record the time, date, and place that a closed meeting was held, and that nothing other than the published business was discussed.

Attendance in closed session shall be limited to the Directors and such other persons whose attendance is requested.

Section 5.06, Quorum. At any meeting of the Board, a quorum shall consist of a simple majority of the voting members of the Board.

Section 5.07, Decision-making. Decisions may be reached by a simple majority of those present and voting at a meeting at which a quorum has been duly assembled, except as otherwise provided in these Bylaws.

ARTICLE VI **OFFICERS**

Section 6.01, Designation. The Corporation shall have such officers as the Board may from time to time designate by resolution; provided however, the Corporation shall always have a President, a Secretary, and a Treasurer. The Officers shall have the authority and exercise the duties specified by the Board by resolution from time to time. The office of Secretary and Treasurer may be held by the same person.

Section 6.02, Election/Nominations. The Chairperson shall appoint a nominating committee of not less than one (1) nor more than three (3) existing Board members to forward a slate of officers to be considered by the Board at its Annual Meeting. The procedures shall permit other candidates to run as well. The officers of the Corporation shall be elected by a simple majority vote of those Directors present and voting at the Annual Meeting. Any vacancies occurring in these offices, or in newly created offices shall be filled by simple majority vote of those Directors present and voting at a Board meeting at which a quorum has been duly assembled.

Section 6.03, Tenure. The officers shall hold office until the next Annual Meeting of the Board after their election, unless before such time, they resign or are removed from their offices, or unless they resign or are removed from the Board. Officers' terms will, if necessary, be extended for one year to cover their term in such office.

Section 6.04, Removal from Office. The officers shall serve at the pleasure of the Board and may be removed from office at any time by an affirmative vote of a two-thirds (2/3) majority of the Board at a meeting of the Board, a quorum having been duly assembled.

Section 6.05, Duties of the President. The President shall:

- A. Preside at all meetings of the Board when able to do so.
- B. Consult with the other officers and the Chairs of committees of the Corporation regarding the fulfillment of their duties.
- C. Supervise and regularly consult with the Executive Director to ensure that the policies and programs of the Board are being carried out.

- D. Perform such other duties as provided in these Bylaws or by the policies or resolutions of the Board.

Section 6.06, Duties of the Secretary. The Secretary shall:

- A. Assure that a list of all Directors of the Corporation and their mailing addresses is maintained by the Corporation.
- B. Assure that notice of all meetings of the Board is given according to these Bylaws.
- C. Assure that motions, votes, and decisions in meetings of the Board and Committees of the Board are accurately represented to those present and are accurately stated in the minutes of such meetings.
- D. Assure that minutes of the meetings of the Board and Committees of the Board are recorded, distributed, and kept on permanent record according to these Bylaws and policies adopted by the Board.
- E. Perform such other duties as provided by these Bylaws or by the policies or resolutions of the Board.

Section 6.07, Duties of the Treasurer. The Treasurer shall oversee the finances of the Corporation. Specifically, the Treasurer shall:

- A. Assure that the financial records of the Corporation are maintained according to sound accounting practices.
- B. Assure that funds of the Corporation are deposited in the name of the Corporation as provided in these Bylaws and in the policies and resolutions of the Board.
- C. Assure that all deeds, title papers, leases, and other documents establishing the Corporation's interest in property and rights in matters are maintained in the name of the Corporation in such manner as the Board directs.
- D. Assure that all money owed to the Corporation is duly collected and that all gifts of money or property to the corporation are duly received.
- E. Assure that proper disbursement of such funds as the Board may order or authorize to be disbursed.
- F. Oversee the preparation of financial reports, including a balance sheet and an income and expense statement, at the close of each quarter of each fiscal year and present such reports to the Board.
- G. Assure that such reports and returns as may be required by various governmental agencies are prepared and filed in a timely manner.
- H. Oversee the preparation of annual budget prior to the beginning of each fiscal year for the approval of the Board.

ARTICLE VII
COMMITTEES

Section 7.01, Committees of the Board. The Board may from time to time appoint Committees of the Board that shall exercise such authority of the Board as provided by the policies or resolutions established by the Board. Committees of the Board shall operate. under the same

requirements, such as notice of meetings, quorum, and decision-making, provided by these Bylaws or by policies or resolutions of the Board. Every committee appointed shall consist of at least two directors. Committees of the Board may include persons who are not Directors, providing the Directors constitute a majority of each Committee of the Board.

Section 7.02, Other Committees. The Board may from time to time appoint other Committees to advise the Board or the Corporation's staff as provided by the policies or resolutions of the Board. These Committees shall not exercise the authority of the Board.

ARTICLE VIII

LIABILITY, IMMUNITY, and INDEMNIFICATION

Section 8.01, Indemnification. The Corporation shall indemnify to the fullest extent allowed under state law any person who is a party or threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, of whatever kind of nature by reason of the fact that such person is or was a director, officer, employee, or agent of the Corporation, against expenses, including attorneys' fees, judgments, fines, and amounts paid in settlement. The corporation may purchase and maintain insurance on behalf of any person who may be indemnified pursuant to this Section.

Section 8.02, Indemnity Insurance. The Board shall procure and maintain, with Corporation funds, Officers' and Directors' liability insurance to indemnify officers, directors, employees, and others with respect to liability arising from the performance by such persons of their duties in such capacities and such coverage may be broader than the Corporation's obligation to indemnify under Section 8.01 above to include indemnity for gross negligence. Such insurance shall not, however, provide for coverage for willful misconduct.

Section 8.03, Immunity. Except as otherwise provided in this section, no member of the Board of Directors shall be held personally liable for any damages resulting from:

- A. Any negligent act or omission of an employee of the Corporation;
- B. Any negligent act or omission of another director of the Corporation; or
- C. Any action taken as a director or any failure to take any action as a director unless;
 - 1. The director has breached or failed to perform the duties of the director's office; and
 - 2. The breach or failure to perform constitutes willful misconduct or recklessness.

The immunity provided in this section shall not extend to acts or omissions of Directors of the Board that constitute willful misconduct or recklessness personal to the Director. The immunity is limited to actions taken as a Director at meetings of the Board of Directors or a committee of the Board of Directors or by actions of the Directors without a meeting pursuant to applicable state law, currently Section 53-8-96 NMSA 1978.

ARTICLE IX

FINANCIAL TRANSACTIONS

Section 9.01, Accounts. The Corporation shall maintain bank accounts to properly manage, track, and reconcile all funds received by the Corporation for general operations, contracts/grants, or other special purposes. These monies shall be properly coded in the accounting system to allow for individual tracking of income and expenses and reconciled in a timely manner.

Section 9.02, Fiscal Year. The fiscal year of the Corporation shall begin on the first day January and end on the last day of December.

Section 9.03, Budget. The Executive Director shall compile a budget for each fiscal year. This budget will be reviewed by the Treasurer, who will submit the budget to the Board of Directors for review and approval.

Section 9.04, Annual Audit. The accounts of the Corporation shall be audited annually. Any audit shall always be available to the Board of Directors.

Section 9.05, Books and Records. Any books, records, and minutes may be in written form or in any other form capable of being converted into written form within a reasonable time. The Corporation shall keep at its registered office or principal place of business:

- A. Correct and complete books and records of accounts.
- B. Minutes of the proceedings of its Board of Directors.
- C. Names and addresses of all Directors of the Corporation.

ARTICLE X

NONDISCRIMINATION

The members, officers, directors, committee members, employees, and persons served by this Corporation shall be selected entirely on a nondiscriminatory basis with respect to age, disability, gender, sexual orientation, race, color, religion, sex, and national origin. No persons previously stated in this Article shall be subjected to harassment, including sexual harassment.

ARTICLE XI

DISSOLUTION

In the event of dissolution of the Corporation, the remaining assets and property of the Corporation shall be distributed to one or more nonprofit corporations whose purpose is similar to the purpose of this Corporation which shall be selected by the Board of Directors.

ARTICLE XII
AMENDMENT OF THE BYLAWS

The Articles of Incorporation may be amended, and these Bylaws may be amended or may be repealed, and new Bylaws adopted only by an affirmative vote of two-thirds (2/3) majority of the Board.

Approved:

Don Dudley

Don Dudley (Dec 10, 2021 13:48 MST)

President: Don Dudley

Juliea Benzaquen

Juliea Benzaquen (Dec 10, 2021 19:34 MST)

Secretary: Julie Benzaquen

CERTIFICATION

Juliea Benzaquen, as Secretary of Greater Albuquerque Housing Partnership, hereby certifies that the foregoing is a true and correct copy of the Amended Bylaws of The Greater Albuquerque Housing Partnership as amended at the annual meeting of the Board of Directors held December 7, 2021.

SOL HOUSING
320 GOLD AVE SW STE 918
ALBUQUERQUE, NM 87102-3266

May 13, 2024
FEIN: **-***2352

STATE OF NEW MEXICO TAXATION AND REVENUE DEPARTMENT
REGISTRATION CERTIFICATE

SOL HOUSING
320 GOLD AVE SW STE 918
ALBUQUERQUE, NM 87102-3266

This Registration Certificate is issued pursuant to Section 7-1-12 NMSA 1978 for Gross Receipts, County Gross Receipts, and Municipal Gross Receipts Taxes.

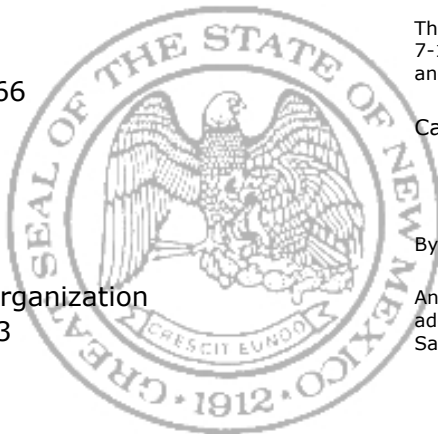
Cabinet Secretary

By



Entity Type: Non Profit Organization
Commence Date: 29-Mar-2003

Any inquiries concerning your Identification Number should be addressed to the Audit & Compliance Division, P.O. Box 630, Santa Fe, New Mexico 87504-0630



THIS CERTIFICATE IS NOT TRANSFERABLE
STATE OF NEW MEXICO TAXATION AND REVENUE DEPARTMENT
REGISTRATION CERTIFICATE

THE ABOVE REFERENCED TAXPAYER IS REGISTERED FOR THE FOLLOWING TAX ACCOUNTS:

- Compensating Tax
- Gross Receipts
- Wage Withholding
- Workers' Compensation Fee

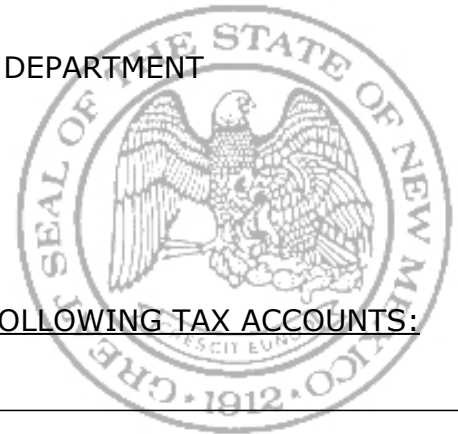
SOL HOUSING
320 GOLD AVE SW STE 918
ALBUQUERQUE, NM 87102-3266

May 13, 2024
FEIN: **-***2352
Letter ID: L0321044848

THIS CERTIFICATE IS NOT TRANSFERABLE

STATE OF NEW MEXICO TAXATION AND REVENUE DEPARTMENT
REGISTRATION CERTIFICATE

Legal Name: SOL HOUSING
Entity Type: Non Profit Organization



THE ABOVE REFERENCED TAXPAYER IS REGISTERED FOR THE FOLLOWING TAX ACCOUNTS:

Business Tax ID Doing Business As Name

02-252978-00-0 SOL HOUSING

Program Name	Tax ID	Start Date	End Date	Filing Status
Workers' Compensation Fee	00001752821-WKC	30-Jun-1994		Quarterly
Compensating Tax	02252978000-CMP	18-May-1994		Casual
Gross Receipts	02252978000-GRT	18-May-1994		Monthly
Wage Withholding	02252978000-WWT	18-May-1994		Monthly

Business Tax ID Location Addresses Under GRT Account

02252978000-GRT 320 GOLD AVE SW STE 918 ALBUQUERQUE NM 87102-3266



Board of Directors - 2024

Name: **Tessah Latson, President**
Appointed: *January 2018*
Reappointed January 2022
Term Ending: *December 2024*
Affiliation: Unrestricted
Home Address: 22 Garden Park Circle NW
Albuquerque, NM 87107
Census Tract: 30.01
Home Phone: (505) 401-3242
E-mail: tessah.latson@gmail.com

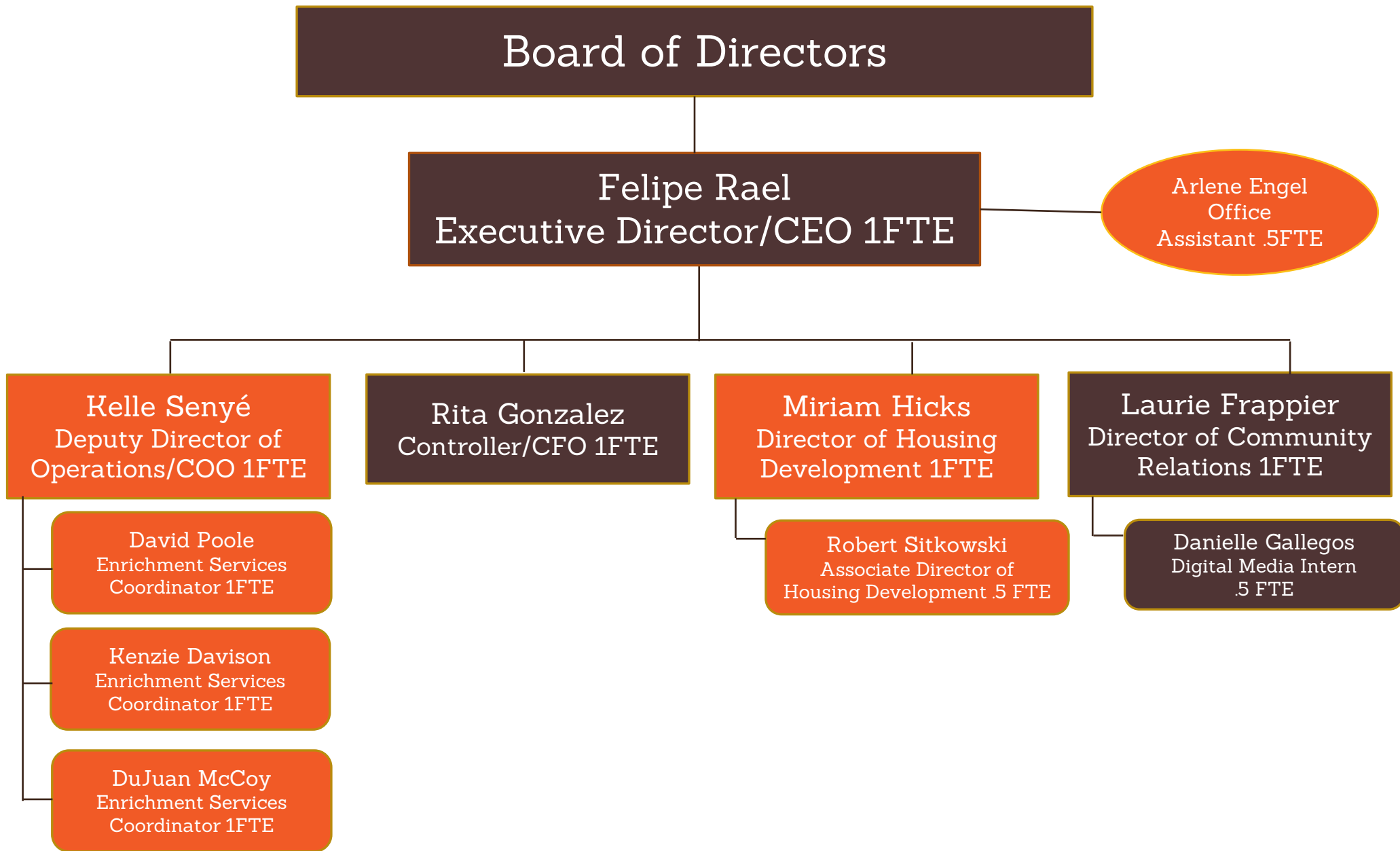
Name: **Elvira Lopez, AICP, Treasurer**
Appointed: *July 2020*
Term Ending: *July 2024*
Affiliation: Public/Government Employee
Home Address: 1609 Lafayette Drive NE
Albuquerque, NM 87106
Census Tract: 3.00
Home Phone: 505-569-4542
E-mail: elviralopez04@gmail.com

Name: **Russell Brito, Vice-President**
Appointed: *April 2021*
Term Ending: *April 2025*
Affiliation: Unrestricted
Home Address: 3317 Valley Haven Court NW
Albuquerque, NM 87107
Census Tract: 31.00
Home Phone: (505) 934-2690
E-mail: petaqpocho@gmail.com

Name: **Don Dudley**
Appointed: *January 2019*
Reappointed January 2023
Term Ending: *January 2025*
Affiliation: Resident of Low-Income Neighborhood
Home Address: 302 Sandia Road NW
Albuquerque, NM 87107
Census Tract: 35.01
Work Phone: (505) 243-8100
E-mail: don.dudley@dondudleydesign.com

Name: **Sarah Hurteau, Secretary**
Appointed: *April 2021*
Term Ending: *April 2025*
Affiliation: Resident of Low-Income Neighborhood
Home Address: 2355 Mountain Road NW
Albuquerque, NM 87104
Census Tract: 48.00
Home Phone: (928) 225-0272
E-mail: sarah.hurteau@gmail.com

Name: **Alan Vincioni**
Appointed: *July 2022*
Term Ending: *July 2024*
Affiliation: Unrestricted
Home Address: 1569 Summit Hills Drive NE
Albuquerque, NM 87112
Census Tract: 1.25
Home Phone: (505) 319-8626
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Travel Reimbursement Policy

Vehicle Mileage

Business mileage is reimbursed at the current IRS Standard Mileage Rate.

Travel Reimbursement

Travel reimbursements are issued at the current GSA Lodging and M&IE rates for the travel destination.

Felipe Rael

[Felipe Rael \(Jun 12, 2024 08:29 MDT\)](#)

Felipe Rael, Executive Director



Accounting Policies and Procedures

ACCOUNTING POLICY:

1. Sol Housing shall maintain its accounting records in conformity with generally accepted accounting principles.
2. Government grants - Government grants are recognized as revenue by Sol Housing according to the guidelines of Financial Accounting Standards Statement Number 116.
3. The policies and procedures set forth in this manual will be followed by Sol Housing in carrying out its daily operations. Variances will be allowed only when approved by the Executive Director. If a grant funding source requires more stringent policies and procedures, the funding sources' policies and procedures shall be followed.

Procedures:

1. Accounting records will be maintained in accordance with Sol Housing's fiscal year, ie. January 1-December 31.
2. The double-entry method of bookkeeping and the accrual method of accounting shall be used.
3. All revenues, support and expenses shall be segregated by Fund programs, grants, etc. to provide for a proper accounting of each program/grant by source of funds.
4. GHAP's financial statements will be audited by an independent certified public accounting firm on an annual basis in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. The audit shall also satisfy the audit requirements set forth in the Office of Management and Budget (OMB) Circular No. A-133.

INTERNAL CONTROL POLICY:

Sol Housing will maintain an adequate system of internal accounting controls to provide management with reasonable assurance as to the safeguarding of assets against losses from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability of assets.

Procedures:

1. The characteristics of an adequate system of internal control will include the following:

- a.) Segregation of duties, when possible, within the organization based on functional responsibilities.
- b.) A system of authorization and record retention.
- c.) A degree of personnel competence commensurate with responsibilities.

2. To achieve these objectives, the following controls will be in place:

- a.) No one person shall have complete control over all phases of any significant transaction.
- b.) Whenever possible, the flow of work will be from one employee to another so that the work of the second, without duplicating that of the first, provides a check upon it.
- c.) Recordkeeping will be separated from operations or the handling and custody of assets.
- d.) Responsibilities in the accounting department will be clearly established and followed as closely as possible.

CASH MANAGEMENT POLICY:

1. Sol Housing will properly control and account for all cash.
2. All cash depository accounts will have FDIC coverage.

Procedures:

1. All bank accounts shall be in Sol Housing's name.
2. All checks will be pre-numbered and used in numerical order.
3. No checks will be prepared without proper supporting documentation.
4. Checks will not be made payable to "Cash" or "Bearer".
5. Blank checks are to be kept in a secured location in a locked, fireproof safe.
6. All checks must be accounted for. Void checks are to be defaced and kept for subsequent inspection.
7. All bank accounts will be reconciled monthly by the Controller and reviewed by the Treasurer.
8. The authorized check signatures are as follows:
 - a.) \$249.99 and under – (1 signature) Executive Director, Director, or Board Member
 - b.) \$250 - \$9,999.99 – (2 signatures) Executive Director, Director, or Board Member
 - c.) \$10,000 and above – (2 signatures) Board Member **required** and Executive Director or Director

ACCOUNTS PAYABLE POLICY:

1. All invoices, check requests, and travel vouchers must be approved for payment by the Executive Director or project director.
2. All invoices will be coded by the Controller to ensure the proper expense account is charged to the proper program/grant in the appropriate accounting period.
3. All support documentation must be intact before any invoice or check request or is entered into the "open" A/P files.

Procedures:

1. Office Assistant opens the mail and processes the invoices.
2. The Controller codes the invoices and enters the invoices into Quickbooks Accounts Payable.
3. When checks are cut, the invoices to be paid are pulled from the open A/P file and matched with the checks. The supporting invoices are attached to the check voucher and the check is attached to the support.
4. The checks and supporting documentation are reviewed by the Executive Director and signed per the cash management procedures.
5. The signed checks mailed out by the Office Assistant.
6. The check vouchers with the attached supporting documentation are filed in vendor files.

PAYROLL POLICY:

1. Employees are paid bi-weekly
2. Payroll is processed by the Controller using Paychex.
3. Approved hourly employee signed time sheets must be submitted to the Controller.
4. Salaried employees are encouraged to manage their PTO requests via the Paychex portal.

Procedures:

1. The Controller processes payroll on a biweekly basis.
2. The federal payroll tax deposits are calculated and paid by an outside payroll service by the 3rd working day following payday. State payroll taxes are remitted monthly.
3. All federal and state payroll reports are prepared by an outside payroll service and submitted to the appropriate federal and state tax authorities by the due date of the return.
4. At the close of the calendar year, W-2 Forms are processed by an outside payroll service.
7. The W-2 Forms are reviewed by the Controller and compared to the appropriate payroll tax returns (Forms 941) for accuracy.
8. W-2 Forms are distributed to all employees before January 31.
9. W-2 Forms and all other required information will be submitted to Federal and State Agencies by the Controller in accordance with the appropriate regulations.

PROCUREMENT POLICY

I. Purpose

The purpose of this Policy is to establish guidelines that meet or exceed the procurement requirements for purchases of goods (apparatus, supplies, materials, and equipment), services, and construction or repair projects when federal funds are being used in whole or in part to pay for the cost of the contract.

II. Policy

A. Application of Policy. This policy applies to contracts for purchases, services, and construction or repair work funded with federal financial assistance (direct or reimbursed). The requirements of this Policy also apply to any subrecipient of the funds.

All federally funded projects, loans, grants, and sub-grants, whether funded in part or wholly, are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal awards (Uniform Guidance) codified at 2 C.F.R. Part 200 unless otherwise directed in writing by the federal agency or state pass-through agency that awarded the funds.

III. Compliance with Federal Law.

All procurement activities involving the expenditure of federal funds shall be conducted in compliance with the Procurement Standards codified in 2 C.F.R. § 200.317 through § 200.326 to the best of one's ability unless otherwise directed in writing by the federal agency or state pass-through agency that awarded the funds.

A. Contract Award. All micro-purchases, small purchases and sealed bid contracts shall be awarded only to the lowest responsive, responsible bidder possessing the ability to perform successfully under the terms and conditions of the contract. All Request for Proposal (RFP) or qualifications based (RFQ) contracts shall be awarded to the responsible offeror with the most advantageous qualifications and price possessing the ability to perform successfully under the terms and conditions of the contract.

No Evasion. No contract may be divided to bring the cost under bid thresholds or to evade any requirements under this Policy or state and federal law.

B. Contract Requirements. All contracts (excluding micro-purchases and below) paid for in whole or in part with federal funds shall be in writing and must include or incorporate federally mandated procurement contract provisions required under 2 C.F.R. § 200.326 and as provided for under 2 C.F.R. Part 200, Appendix II.

Contractors' Conflict of Interest. Designers, suppliers, and contractors that assist in the development or drafting of specifications, requirements, statements of work, invitation for bids or requests for proposals shall be excluded from competing for such requirements.

C. Approval and Modification. The administrative procedures contained in this Policy are administrative and may be changed as necessary at the staff level to comply with state and federal law.

IV. General Procurement Standards and Procedures:

Either the Purchasing Department or the Requesting Department shall procure all contracts in accordance with the requirements of this Section of the Policy.

A. Necessity. Purchases must be necessary to perform the scope of work and must avoid acquisition of unnecessary or duplicative items. The Purchasing Department and/or the Requesting Department should check with the federal surplus property agency prior to buying new items when feasible and less expensive. Strategic sourcing should be considered with other departments and/or agencies who have similar needs to consolidate procurements and services to obtain better pricing.

Clear Specifications. All solicitations must incorporate a clear and accurate description of the technical requirements for the materials, products, or services to be procured. All solicitations shall include all other requirements bidders or offerors must fulfill during the terms and conditions of the contract. All factors to be used in evaluating bids or proposals and the relative scoring value shall be included within the solicitation. Technical requirements must not contain features that restrict competition.

B. Notice of Federal Funding. All solicitations must acknowledge the use of federal funding for the contract. In addition, all prospective bidders or offerors must acknowledge that funding is contingent upon compliance with all terms and conditions of the funding award.

Compliance by Contractors. All solicitations shall inform prospective contractors that they must comply with all applicable federal laws, regulations, executive orders, and terms and conditions of the funding award.

C. Fixed Price. Solicitations must state that bidders shall submit pricing on a fixed price basis. Cost plus percentage of cost contracts is prohibited. Time and materials contracts are prohibited in most circumstances. Time and materials contracts will not be used unless no other form of contract is suitable and the contract includes a "Not to Exceed" amount. A time and materials contract shall not be awarded without written permission of the federal agency or state pass-through agency that awarded the funds.

Use of Brand Names. When possible, performance specifications shall be used to allow for competitive pricing and greater availability of products and services. Brand names may be used only when it is impractical or uneconomical to write a clear and accurate description of the requirement(s). When a brand name is listed, it is used as reference only and "or equal" must be included in the description unless the item is sole sourced. (see V. Exceptions)

D. Lease versus Purchase. Under certain circumstances, it may be necessary to perform an analysis of lease versus purchase alternatives to determine the most economical approach.

Dividing Contract for M/WBE Participation. If economically feasible, procurements may be divided into smaller components to allow maximum participation of small and minority owned businesses and women business enterprises. The procurement cannot be divided to bring the cost under bid thresholds or to evade any requirements under this Policy.

E. Documentation. Documentation must be maintained by the Purchasing Department and/or the Requesting Department detailing the history of all procurements. The documentation should include the procurement method used, contract type, basis for contractor selection, price, sources solicited, public notices, cost analysis, bid documents, addenda, amendments, contractor's responsiveness, notice of award, copies of notices to unsuccessful bidders or offerors, record of protests or disputes, bond documents, notice to proceed, purchase order, and contract as they pertain to the specific procurement method. All documentation relating to the award of any contract must be made available to the granting agency upon request.

Cost Estimate. For all procurements costing \$150,000 or more, the Requesting Department shall develop an estimate of the cost of the procurement prior to soliciting bids or proposals. Cost estimates may be developed by reviewing prior contract costs, online review of similar products or services, or other means by which a good faith cost estimate may be obtained. Cost estimates for construction and repair contracts may be developed by the A/E firm.

F. Contract Requirements. The Requesting Department must prepare a written contract incorporating the provisions referenced in Section III.C of this Policy.

Debarment. No contract shall be awarded to a contractor included on the federally debarred bidder's list <https://www.sam.gov/SAM/>.

G. Contractor Oversight. The Requesting Department receiving the federal funding must maintain oversight of the contract that contractor is performing their responsibilities consistent with the contract terms, conditions, and specifications.

Open Competition. Solicitations shall be prepared to be fair and provide open competition. The procurement process shall not restrict competition by imposing unreasonable requirements on bidders, including but not limited to unnecessary supplier experience, excessive or unnecessary bonding, specifying a brand name without allowing for "or equal" products (unless sole sourced), or other unnecessary requirements that have the effect of restricting competition.

H. Geographic Preference. In the interest of competition, no contract shall be awarded based on a geographic preference except as allowed in NM statute 13-1-22.

V. Specific Procurement Procedures

The Requesting Department shall solicit price or rate quotes in accordance with the requirements under this Section of the Policy based on the type and cost of the contract. For solicitations of services above \$150,000 when selection criteria are more than just price, a request for proposals or qualifications will be utilized.

A. Service Contracts (except for A/E professional services) **Purchase Contracts and Construction or Repair Contracts costing less than \$3,000** shall be procured using the Uniform Guidance “micro-purchase” procedure (2 C.F.R. § 200.320(a)) as follows:

1. The contract may be awarded without soliciting pricing or bids if the price of the goods or services is fair and reasonable. Document determination of reasonable including past purchases and historical data.

To the extent practicable, purchases must be distributed among qualified suppliers.

B. Service Contracts (except for A/E professional services) **Purchase Contracts and Construction or Repair Contracts costing \$3,000 up to \$150,000** shall be procured using the Uniform Guidance “small purchase” procedure (2 C.F.R. § 200.320(b)) as follows:

1. Obtain price or rate quotes from an “adequate number” of qualified sources (a federal grantor agency might issue guidance interpreting “adequate number,” so the Requesting Department should review the terms and conditions of the grant award documents to confirm whether specific guidance has been issued). Three price or rate quotes will be requested unless noted otherwise.

Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as required under 2 C.F.R. § 200.321.

2. Cost or price analysis is not required prior to soliciting price or rate quotes. Award the contract on a fixed-price basis (a not-to-exceed basis is permissible for service contracts where obtaining a fixed price is not feasible).

3. Award the contract to the lowest responsive, responsible bidder.

C. Service Contracts (except for A/E professional services) **Purchase Contracts and Construction or Repair Contracts costing \$150,000 and above** may be procured using the Uniform Guidance “**competitive proposal**” procedure (2 C.F.R. § 200.320(d)) when the “sealed bid” procedure is not appropriate for the service being sought. The procedures are as follows:

1. A Request for Proposals (RFP) must be publicized. Formal advertisement in a newspaper is not required so long as the method of advertisement will solicit proposals from an “adequate number” of qualified firms.

Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.

2. Identify all evaluation criteria and relative importance of each criteria (criteria weight) in the RFP.

Consider all responses to the publicized RFP to the maximum extent practical.

3. Must have a written method for conducting technical evaluations of proposals and selecting the winning firm.

Award the contract to the responsible firm with most advantageous proposal considering price and other factors identified in the RFP. Governing board approval is not required.

4. Award the contract on a fixed-price or cost-reimbursement basis.

Performance and payment bonds of 100% of the contract price is required of the winning offeror.

5. Offerors may view score cards for their own proposals in-person upon written request.

D. Service Contracts (except for A/E professional services) **Purchase Contracts and Construction or Repair Contracts costing \$150,000 and above** may be procured using the Uniform Guidance “**sealed bid**” procedure when price is the only evaluation criteria (2 C.F.R. § 200.320(c)) as follows:

1. Cost or price analysis is required prior to soliciting bids (this cost estimate may be provided by the A/E firm).

Complete specifications must be made available to all bidders.

2. Publicly advertise the bid solicitation for a period sufficient to give bidders notice of opportunity to submit bids (formal advertisement in a newspaper is not required so long as other means of advertising will provide sufficient notice of the opportunity to bid). The advertisement must state the date, time, and location of the public bid opening, and indicate where specifications may be obtained.

Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.

3. Open the bids at the public bid opening on the date, time, and at the location noticed in the public advertisement. All bids must be submitted sealed. A minimum of 2 bids must be received to open all bids.

A 5% bid bond is required of all bidders. Performance and payment bonds of 100% of the contract price is required of the winning bidder.

4. Award the contract on a firm fixed-price basis.

Award the contract to the lowest responsive, responsible bidder. Governing board approval is not required. All bids may be rejected only for “sound documented reasons.”

E. Contracts for Architectural and Engineering Services shall be procured using the Uniform Guidance “competitive proposal” procedure (2 C.F.R. § 200.320(d)(5)) as follows:

1. Publicize a Request for Qualifications (RFQ) to solicit qualifications from qualified firms (formal advertisement in a newspaper is not required). Price shall not be solicited in the RFQ.

Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.

2. Identify the evaluation criteria and relative importance of each criteria (the criteria weight) in the RFQ.

Proposals must be solicited from an “adequate number of qualified sources” (an individual federal grantor agency may issue guidance interpreting “adequate number”).

3. Must have a written method for conducting technical evaluations of proposals and selecting the best qualified firm.

Consider all responses to the publicized RFQ to the maximum extent practical.

4. Evaluate qualifications of respondents to rank respondents and select the most qualified firm. Preference may be given to in-state (but not local) firms provided that granting the preference leaves an appropriate number of qualified firms to compete for the contract given the nature and size of the project.

Price cannot be a factor in the initial selection of the most qualified firm.

5. Once the most qualified firm is selected, negotiate fair and reasonable compensation. If negotiations are not successfully, repeat negotiations with the second-best qualified firm.

Award the contract to best qualified firm with whom fair and reasonable compensation has been successfully negotiated. Governing board approval is not required.

VI. Exceptions

A. Non-competitive contracts are allowed **only** under one or more of the following conditions:

Sole Source. A contract may be awarded without competitive bidding when the item is available from only one source. The Purchasing Department and/or Requesting Department shall document the justification for and lack of available competition for the item. A sole source product may be purchased if the item is available only from a single source.

Public Exigency. A contract may be awarded without competitive bidding when there is a public exigency. A public exigency exists when there is an imminent or actual threat to public health, safety, and welfare, and the need for the item will not permit the delay resulting from a competitive bidding.

Inadequate Competition. A contract may be awarded without competitive solicitation when competition is determined to be inadequate after attempts to solicit bids from several sources as required under this Policy does not result in a qualified winning bidder.

Federal Contract. A contract may be awarded without competitive solicitation when the purchase is made from a federal contract available on the U.S. General Services Administration schedules of contracts.

Awarding Agency Approval. A contract may be awarded without competitive bidding with the express written authorization of the federal agency or state pass-through agency that awarded the federal funds so long as awarding the contract without competition is consistent with state law.



SOL HOUSING

EMPLOYEE HANDBOOK

Revised March 2024

Sol Housing was established in May 1993 to bring the benefits of first-time homeownership to Albuquerque families. Working exclusively in in-fill neighborhoods, Sol Housing built new homes and assisted first-time home buyer families in becoming homeowners.

Starting in 1996, Sol Housing began developing multi-family affordable housing utilizing Low Income Housing Tax Credits. This provided additional financing sources to enable Sol Housing to realize its mission to create exceptional housing communities, provide household stability, and support healthy families.

Sol Housing Employment Policies and Procedures

Purpose of the Handbook

The policies in this Employee Handbook (“Handbook”) are guidelines designed to address issues that arise during employment. This Handbook is not an employment contract and may, at the discretion of Sol Housing, be modified from time to time.

This Handbook supersedes and replaces all previous policies, practices, and guidelines contained in all previous employee handbooks. PLEASE READ CAREFULLY. Upon completion of your review of the Handbook, please sign the statements on the last pages of the Handbook and return them to your manager within three (3) working days of receipt of the Handbook.

At-Will Employment

Sol Housing is an at-will employer, which means that an employee may quit his or her job at any time, with or without notice, reason, or cause; and Sol Housing may at any time, with or without notice, reason, or cause terminate an employee’s employment. No supervisor, manager, or representative of Sol Housing has the authority to enter into any agreement with you for any employment for any specified period or to make any verbal promises or commitments contrary to the foregoing.

Equal Employment Opportunity

Sol Housing provides equal employment opportunities to all employees and applicants for employment without regard to race, color, ancestry, national origin, gender, sex, sexual orientation, marital status, religion, age, disability, gender identity, citizenship, pregnancy, childbirth, or conditions related to childbirth, results of genetic testing, service in the military, or any other legally protected category, in accordance with applicable federal, state, and local laws. Equal employment opportunity applies to all terms and conditions of employment, including, but not limited to, hiring, recruitment, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation, and training.

All employees, managers, officers, and business guests must avoid any action or conduct, physical or verbal, which could be viewed as discrimination, including, but not limited to, comments, slurs, epithets, threats, derogatory comments, or unwelcome jokes which are made on the basis of race, color, age, religion, national origin, ancestry, sex, sexual orientation or disability, or any other protected class identified above. Discrimination can also include the display or circulation of written materials or pictures degrading either to gender or to racial, religious, or ethnic groups and verbal abuse or insults directed at or made in the presence of social, sexual, or religious groups.

Any employee or applicant who feels that he or she has been discriminated against shall report his or her concerns to Human Resources, to investigate. All substantiated complaints will result in corrective action, up to and including termination. Sol Housing will be as discrete as possible with respect to complaints of discrimination or harassment so long as such discretion does not interfere with an adequate and thorough investigation of the complaint. Sol Housing cannot guarantee complete confidentiality which would inhibit Sol Housing's ability to conduct an effective investigation.

Anti-Harassment Policy

Sol Housing expressly prohibits any form of unlawful employee harassment or discrimination based on any of the characteristics mentioned above. Improper interference with the ability of other employees to perform their expected job duties is absolutely not tolerated. Consistent with applicable federal and state law, Sol Housing does not tolerate conduct that may constitute harassment by its management, supervisors, non-management personnel, or customers. Downloading and displaying or disseminating materials that may be considered by some to be obscene, racist, sexist, or otherwise offensive may legally constitute harassment by creating a hostile work environment. Downloading or viewing materials of a sexual, pornographic, racist, sexist, or otherwise offensive nature is strictly prohibited. All such materials and actions are subject to Sol Housing's harassment policies. Violations of this policy are grounds for disciplinary action up to and including termination. Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of Human Resources.

All reports of harassment will be investigated promptly and, to the extent possible, regarding confidentiality, and corrective action is taken where substantiated. All complaints will be investigated. It is strictly prohibited for an employee to retaliate against employees who bring discrimination or harassment charges or assist in investigating charges. Employees who are determined to have falsely accused others of discrimination for retribution or other reasons may also be subject to disciplinary action.

Standards of Conduct

Sol Housing expects all employees to adopt a high ethical standard of conduct in the performance of their duties, observing all laws and regulations governing business transactions and using Sol Housing funds only for legitimate and ethical purposes.

Confidentiality

Confidential information is all information disclosed to or known by you because of employment with the company that is not generally known to people outside the company about its business. Working with Sol Housing clients may also involve access to information about families and their finances that is confidential. Sol Housing expects employees to protect the confidential information they have learned during the job and about clients. Confidential information may not be released to any party not directly involved in services to clients and may not be released without the client's permission. An employee who improperly uses or discloses trade secrets or confidential business information will be subject to disciplinary action up to and including termination of employment and legal action, even if he or she does not actually benefit from the disclosed information.

Conflict of Interest

All employees have an ethical and legal responsibility to put the interest of Sol Housing ahead of other business or commercial interests. A conflict exists when other business or commercial interests of yourself or your family members compete with your obligation to serve the interest of Sol Housing or if work at Sol Housing can possibly profit yourself (outside of salary), family, or other relations. Even the perception of a conflict of interest can cause harm to Sol Housing and the employee involved. Employees of Sol Housing should avoid any such dealings that may lead to either a real or a perceived conflict of interest. Questions or concerns should be brought to the attention of Human Resources.

Personal Appearance

Personal appearance is a matter of pride and reflects your image at work and in the community. You have a responsibility to present a neat and professional image appropriate for our work environment. Please advise your manager if you need a dress code accommodation based on religion, disability, or other legally protected reasons.

Drug-Free Workplace Policy

Sol Housing recognizes that drug, narcotic and alcohol abuse is a serious health problem. The use of these substances by employees while on the job constitutes a direct threat to other employees. To assure a safe environment for all, Sol Housing may require drug/alcohol screening for an employee who demonstrates unusual or suspicious behavior or work performance problems that appear to be drug or alcohol related. An employee using prescription drugs that may affect their work performance must report the use to their supervisor. Notwithstanding any provision herein, this policy will be always enforced in accordance with applicable state and local law.

An employee experiencing problems resulting from drug or alcohol abuse and/or dependence, or an employee diagnosed as a drug abuser or alcoholic, who reports a problem to Human Resources prior to any incident will be covered by the ADA and will be given the Last Chance Agreement. Continued employment will be contingent on the completion of the Last Chance Agreement. Employees who have elected health coverage may use the insurance to the extent of coverage of the plan for treatment.

Personal Conduct

Virtually all software is copyrighted and is subject to a license, which sets limitations on its use. Software downloaded from the Internet is no exception. If unlicensed software is discovered on one of Sol Housing's computers, both Sol Housing and the user of the computer might face allegations of legal liability for copyright violations.

It is illegal and therefore against Sol Housing policy to load unlicensed or unauthorized software on the organization's computers. Sol Housing's computers are intended for business use only. Employees should not use computers for personal business and should limit their websites to appropriate business sites.

Categories of Employees

Full-time Employee—A full-time employee will work between 32 and 40 hours per week. Full-time employees are eligible for benefits as outlined in the benefits section of this handbook.

Part-time Employee—A part-time employee will work between 20 and 31 hours per week. Part-time employees are not eligible for benefits as outlined in the benefits section of this handbook.

Temporary Employee - Employment is determined at the time of hire for a specific period of time (maximum of 1,560 hours per calendar year). Temporary employees are not eligible for employee benefits.

Work Week and Hours

The normal workweek is Monday through Friday from 8:00 a.m. to 5:00 p.m. However, evening and weekend work may be required on occasion to meet deadlines or to accommodate community meetings. In the event a position's regular working hours vary from the normal workweek, the employee will be informed of the schedule by the supervisor.

Overtime

Overtime is time worked in excess of forty (40) hours in a standard work period of seven (7) consecutive days.

Non-exempt employees are eligible for overtime, which will be paid at time and one-half the employee's regular rate of pay. Overtime hours are computed on actual hours worked excluding PTO, holiday, or bereavement leave hours. Overtime must be approved by an employee's immediate supervisor prior to accumulating.

Exempt positions are not eligible for overtime pay.

Time Records

All nonexempt employees are required to complete accurate weekly time reports showing all time worked. These records are required by governmental regulations and are used to calculate regular, and overtime pay. At the end of each week, the employee and his or her supervisor must sign the time sheet attesting to its correctness before forwarding it to Human Resources.

Payday & Personnel Records

Employees are paid every other week for the pay period immediately preceding. Non-exempt employees are required to complete a timesheet to receive their paychecks. Timesheets are approved and signed by the employee's supervisor and submitted to the Controller before the deadline established by the Executive Director. Payroll changes must be communicated in writing (address changes, salary, W-4, etc.).

It is always important that the personnel records of Sol Housing be accurate. In order to maintain accurate employee personnel files and ensure accurate W-2 filings and beneficiary designations, please notify the Controller in writing in the event of a change in any of the following information:

Name, home address, or telephone number

- Marital status and number of dependents
- Person to notify in event of an emergency
- Beneficiary designation for life insurance
- Exemptions for tax withholdings
- Completion of training/classes/degrees
- Any other pertinent information.

Employee Benefits

Sol Housing offers a wide range of employment benefits to its regular status full-time employees.

A full description of the following benefits is available upon request from the Controller:

- Health insurance
- Dental insurance
- Disability insurance
- Life insurance
- Retirement plan

Regular, full-time employees who work 32 hours or more per week may participate in Sol Housing's insurance coverage at 15% of the cost of the employee's and their family's health insurance coverage.

New employees must apply for benefits within thirty-one (31) days of employment, or they may incur longer waiting periods or may be required to furnish medical evidence of insurability at their own expense and may possibly be denied acceptance into the plan.

Retirement Plan

Sol Housing has established a Retirement Plan to supplement an employee's income upon retirement. Full and part-time employees may participate in the retirement plan. For a more complete explanation of the benefits, including vesting and distribution provisions, contact the Controller.

Workers' Compensation

Sol Housing is a participant in the Workers' Compensation insurance program. Any employee who is injured on the job shall immediately report the injury to Human Resources. Human Resources is responsible for ensuring that the injured employee is given assistance in obtaining immediate medical attention if the injury requires it.

Each employee of Sol Housing is responsible for ensuring a safe work environment and for making corrections to observed unsafe behavior or conditions. Safety concerns should be immediately reported to your supervisor.

Nursing Mothers

Sol Housing abides by Federal and New Mexico state laws that allow for "the use of a breast pump in the workplace" for all nursing mothers. The law states, that to foster the ability of a nursing mother who is an employee to use a breast pump in the workplace, an employer, including the state and its political subdivisions, shall provide the following:

A space for using the breast pump that is:

- Clean and private
- Near the employee's workspace; and
- Not a bathroom; and
- Flexible break times

Sol Housing is not liable for the storage of breast milk or payment for additional breaks beyond the established break time the nursing mother may need to take. Payment is not required for any overtime acquired due to nursing mothers' need to use the breast pump outside of regularly scheduled break times.

Personal Time Off (PTO), Sick Leave, and Holidays

Sol Housing provides its employees with accrued personal leave (PTO) that covers personal leave, vacation, and sick leave. Employees may use PTO for: **1)** any personal reason, **2)** the employee's mental or physical illness, injury, or health condition; medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or preventive medical care; **3)** the employee's need to care for a family member relating to the family member's mental or physical illness, injury, or health condition; medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or preventive medical care; **4)** meetings at the employee's child's school or place of care related to the child's health or disability; **5)** absence necessary due to domestic abuse, sexual assault, or stalking suffered by the employee or a family member of the employee; provided that the leave is for the employee to obtain medical or psychological treatment or other counseling; **6)** to relocate; **7)** to prepare for or participate in legal proceedings; or **8)** to obtain services or assist a family member of the employee with any of the activities set forth in the Healthy Workplaces Act (HWA). "Family member" means **1)** an employee's spouse or domestic partner; **2)** a person related to an employee or an employee's spouse or domestic partner as a biological, adopted, or foster child, a stepchild or legal ward, or a child to whom the employee stands in loco parentis: a biological, foster, step, or adoptive parent or legal guardian, or a person who stood in loco parentis when the employee was a minor child; a grandparent or grandchild; a biological, foster, step, or adopted sibling; a spouse or domestic partner of a family member as defined by the HWA (NMSA 50-17-2).

Holiday and PTO do not count as hours worked for purposes of calculating an employee's entitlement to overtime during the week in which the holiday and/or PTO day occurs.

Maximum PTO

The Sol Housing accrual period is based on a calendar year. PTO begins to accrue immediately upon hire on a pay-period basis. The date of hire is considered the anniversary date, which determines when the rate of accrual will change based on the schedule below:

0 - 1 year of service	(0-12 months) 19 days or 5.85 hours per pay period (1 hour earned for approximately every 13 hours worked)
2 - 4 years of service	(13-48 months) 24 days or 7.38 hours per pay period (1 hour earned for approximately every 10 hours worked)
Over 4 years of service	(49+months) 29 days or 8.92 hours per pay period (1 hour earned for approximately every 9 hours worked)

All employees may use PTO in 1-hour increments.

At the end of the calendar year, all accrued and unused hours of PTO may be carried over into the following year. There is no cap on the number of PTO hours that can be accrued. As a practical matter, PTO that is properly requested and scheduled will be granted for the convenience of the employee. Requests for planned or foreseeable time off need to be submitted in the employee payroll portal for approval at least two weeks in advance to allow for the adjusting of work schedules. PTO may be canceled based on work needs, staffing requirements, or other legitimate needs of Sol Housing. Upon separation of employment, unused PTO will be converted to cash at a maximum of 80 hours.

Requesting Earned PTO

Eligible employees record their request to use earned PTO in the employee payroll portal. Supervisors are not obligated to grant a request solely to meet the needs of the employee **other than reasons 2-8 listed previously.**

When an employee needs to use earned PTO as sick leave, the employee must make an oral request when calling in or a written request when advanced notice is possible to the employer to use the leave. When possible, the request must include the expected duration of the absence.

When the need to use earned PTO as sick leave is foreseeable, the employee must make a reasonable effort to give the employer notice before using the earned PTO. The employee must make a reasonable effort to schedule the use of earned PTO in a way that does not disrupt the operations. When the need to use earned PTO is not foreseeable, the employee must notify the employer as soon as practicable. Employees are not required to find a replacement worker to cover during the employee's absence or to use other paid leave before the employee uses sick leave pursuant to the Act.

Documentation Requirements

When the PTO requested is for sick leave, employees may be required to provide documentation if two or more consecutive workdays of earned leave are used. All information and documentation received about an employee's reasons for taking earned sick leave will be kept confidential. Documentation must be signed by a health care professional or for two or more consecutive absences related to domestic abuse, sexual assault, or stalking, an employee may provide either a police report, a court-issued document, or a signed statement by a victim services organization, clergy member, attorney, or advocate.

PTO is retained upon transfer or succession of Sol Housing ownership or operation.

Employee benefits and protections under the HWA are not waivable.

The Company expressly prohibits any form of retaliatory action against any employee availing themselves of the benefits of this policy. Any concerns should be promptly reported to the HR manager or your immediate manager for investigation.

Sol Housing's PTO policy either meets or exceeds the rules and requirements of the HWA. Notice of employee rights under the HWA is included in the Sol Housing employee handbook and is also posted at the Sol Housing office and available on the Sol Housing share drive. If a conflict between Sol Housing policy and the HWA is discovered, Sol Housing will immediately honor the rules and requirements of the HWA and will revise the written policy at the next possible opportunity.

Holidays

All regular full-time, part-time, and temporary employees working a minimum of 20 hours per week are eligible for the following eleven (11) paid holidays:

New Year's Day
Martin Luther King, Jr.'s Birthday
Presidents' Day
Memorial Day
Juneteenth
Independence Day
Labor Day
Indigenous Peoples' Day
Thanksgiving Day
Friday following Thanksgiving
Christmas Day

If a part-time or temporary employee is normally scheduled to work on a holiday, they will be paid for the hours they normally would have worked on that day. Holidays will become available to new employees as they occur based on the date of hire. If a holiday occurs during an employee's scheduled vacation, the day will be paid as a holiday and not as a PTO day.

Family Medical Leave Act (FMLA)

The Family Medical Leave Act provides employees with the opportunity to take up to 12 weeks of paid or unpaid leave to care for family members or because of a serious health condition. If an employee has PTO or sick leave available, sick leave will be used concurrently with and designated as FMLA leave; then PTO will be used concurrently with and designated as FMLA leave.

ADA Reasonable Accommodation Policy: Service Animals

Sol Housing does not allow animals in the workplace; however, an individual with a disability may request a reasonable accommodation under the Americans with Disabilities Act (ADA) to bring a service animal to work when medically necessary. The ADA Reasonable Accommodation Request Form can be found on the Sol Housing shared drive or by requesting it from HR.

Service Animals

Under New Mexico Service Animal Act, NMSA 1978 §28-11-2, a qualified service animal is a dog or miniature horse that is trained to work or perform tasks for the benefit of an individual with a disability, such as guiding individuals with impaired vision, alerting individuals to an impending seizure, or pulling a wheelchair and fetching dropped items. The job of the animal must be directly related to the employee's disability. Animals whose sole function is to provide comfort or emotional support do not qualify as service animals under the ADA.

Sol Housing will not require an employee to disclose their disability, require medical documentation or special identification or training documentation for the animal, nor ask that the animal demonstrate its ability to perform the work or task. However, Sol Housing may ask (1) Whether the animal is required because of a disability; and (2) what work or task has the animal been trained to perform? Sol Housing will evaluate all requests to bring a service animal into the workplace to determine if the accommodation is reasonable and can be provided without undue hardship. Please note, Sol Housing will consider employee's requests, but do not have to automatically allow employees to bring their service animal to work.

If an accommodation is granted to allow a service animal in the workplace the arrangement may be permitted on a temporary or trial basis. Reasonable behavior is expected from service animals while on company property. Disruptive and aggressive service animals may be asked to be removed from the premises if the animal is out of control and the employee does not take effective action to control the animal or the animal is not housebroken. Additionally, Sol Housing may draft a written agreement with the employee in which the employee will bear the cost of any cleaning or repairs that may be needed due to the service animal.

All animals need to be immunized against rabies and other diseases common to that type of animal. All vaccinations must be current, and animals must be in good health.

Service animals must wear an owner identification tag (which includes the name and phone number of the owner) at all times.

Animals must be on a leash, harness, tether, or other type of restraint at all times, unless the employee's disability prevents using these devices or these devices interfere with the service animal's safe, effective performance of tasks.

The employee must always be in full control of the animal. The care and supervision of the animal is solely the responsibility of the employee. The employee is expected to clean and dispose of all animal waste appropriately. Other employees are not required to provide care or supervision of a service animal.

Leave with Pay

Regular employees shall be granted time off with pay in the following situations:

Bereavement Leave

Sol Housing allows time off with pay for an employee who has experienced the loss of a family member. An employee will be granted up to five (5)-scheduled days with pay to attend the funeral of the employee's immediate family. Immediate family is defined as an employee's spouse, recognized domestic partner, son, daughter, father, mother, brother, sister, grandparent, grandchild, grandparents-in-law, parents-in-law, daughter-in-law, brother-in-law, sister-in-law, son-in-law, and any human member of the employee's household. When requesting bereavement leave, you should inform Sol Housing as to who has died and the date of death.

Jury or Witness Duty Leave

Sol Housing encourages employees to fulfill their civic responsibility by serving jury or witness

duty when required. Employees must show the jury or witness summons to Human Resources as soon as possible so that scheduling arrangements may be made to accommodate their absence. It is expected that employees will return to work immediately upon dismissal by the court.

Voting Leave

Under New Mexico law, employees are entitled to up to two hours of paid time off to vote, including in elections for Native American national, tribal, and pueblo elections. Paid time off to vote is not required if an employee's work shift begins more than two hours after polls open or ends more than three hours before polls close. Employees are expected to make reasonable efforts to vote outside of regular work hours, however, Sol Housing will allow employees to take up to two (2) paid hours of leave to vote if their work schedule on election day is scheduled to begin within two (2) hours of the polls opening and does not end more than three (3) hours from the time the polls close. Under most circumstances, it is possible for employees to vote either before or after work. If it is necessary for employees to arrive late or leave work early to vote in any election, employees should arrange with Sol Housing management no later than the day prior to Election Day.

Educational Leave

Sol Housing allows time off with pay for employees who wish to improve their professional skills by attending classes during the workday.

Sol Housing will pay for employee courses and education that advance employee skills in their current position or prepare them to assume more responsibility in the future.

Military Leave

Sol Housing supports the military obligations of all employees and grants leaves for uniformed service in accordance with applicable federal and state laws. Any employee who needs time off for uniformed service should immediately notify the Human Resources department and his or her supervisor, who will provide details regarding the leave. If an employee is unable to provide notice before leaving for uniformed service, a family member should notify the supervisor as soon as possible.

Upon return from military leave, employees will be granted the same seniority, pay, and benefits as if they had worked continuously. Failure to report for work within the prescribed time after completion of military service will be considered a voluntary termination.

All employees who enter military service may accumulate a total absence of 5 years and still retain employment rights.

Employee Grievance Procedure

Sol Housing wishes to promote and maintain open lines of communication and provide an effective means for employees to resolve work-related problems. Informal, direct methods of resolving issues should be used before the formal Grievance Procedure is initiated. The Employee Grievance Procedure is a formal guideline to assist employees in handling issues of concern. If informal resolutions do not solve the problem, employees are encouraged to bring to the attention of their supervisor their complaints about work-related situations through the following procedure:

- First, employees should discuss complaints or problems with their manager that this

issue constitutes a grievance. The manager will attempt to resolve the issue and respond in writing within five working days.

- If the employee is dissatisfied with the response, he/she has five days to present the grievance in writing to Human Resources.

Arbitration Policy

Sol Housing has chosen to implement an arbitration policy for those instances where one or more parties are not satisfied with the outcome of the Grievance Procedure. As an employee of Sol Housing and by signing the Acknowledgment Form in the back of this handbook, employees agree to allow a third-party arbitrator to make a binding decision regarding the grievance.

While the proceedings are pending, the arbitrator may order a party or witness to provide documents or records or to furnish other information that is likely to clarify the issues of the dispute. The arbitrator presides over the hearing and has the power to subpoena witnesses and documents, administer oaths, and make decisions about legal and factual issues.

Once that decision is made it is binding and cannot be overturned by a court of law. A party to arbitration gives up the right to sue the other party in court. Accordingly, whenever someone who has agreed to arbitrate sues another party to the agreement, the courts have the power to stop the lawsuit and order that arbitration takes place.

In arbitration, each party has the right to be represented by an attorney; however, arbitrators are not obliged to follow courtroom rules of evidence or procedure. The arbitrator's award should specify who is responsible for the payment of witness fees, the arbitrator's fee, and any other costs incurred in connection with the proceeding.

At the conclusion of the hearing, the arbitrator makes an award. Courts will enforce the award unless:

- It was procured by fraud, corruption, or other illicit means.
- The arbitrator was not impartial
- A party's rights were prejudiced by the arbitrator's misconduct.
- The arbitrator exceeded his/her authority.

Employment Separation

The Company expects employees to comply with the Company's standards of behavior and performance and to correct any noncompliance with these standards.

Under normal circumstances, the Company endorses a policy of progressive discipline in which it attempts to provide employees with notice of deficiencies and an opportunity to improve. It does, however, retain the right to administer discipline in any manner it sees fit. Sol Housing may at any time, with or without notice, reason, or cause terminate an employee's employment. This policy does not modify the status of employees as employees-at-will or in any way restrict the Company's right to bypass the disciplinary procedures suggested.

Although employees may terminate their employment at any time, with or without notice, Sol Housing requests that employees provide at least two (2) weeks' notice in writing, when possible. Prior to employment separation, employees need to report to their supervisor to complete the necessary paperwork and return office keys/cards, handbooks, files, and any other company property.

Job Abandonment: An employee who fails to report to work for three (3) consecutive days without notifying his or her immediate supervisor or an employee who fails to return from an approved Leave of Absence on the agreed-upon date will be reviewed to determine whether termination is proper due to job abandonment or there was a medical reason for the absence and lack of timely notification.

Sexual Abuse and Misconduct Prevention Policy

Sol Housing develops multi-family affordable housing utilizing Low Income Housing Tax Credits to enable Sol Housing to realize its mission to create exceptional housing communities, provide household stability and support healthy families. Sol Housing does not supervise or care for children. Sol Housing employs a social services coordinator responsible for scheduling events and services for the residents of the Sol Housing communities and organizing various agencies to provide those services. Examples of services include after-school tutoring, health, and nutrition classes, technology, job training, and financial literacy. Sol Housing partners with organizations like First Nations Community Health Source, Moe Fit, and BBVA to facilitate these offerings. These providers are the ones involved with Sol Housing's residents.

Zero-Tolerance

Sol Housing prohibits and has zero-tolerance for any actual or threatened acts of sexual abuse, sexual molestation, or sexual misconduct ("prohibited conduct") to occur in the workplace or at any activity sponsored by or related to it. Prohibited conduct includes, but is not limited to, intentional physical conduct that is sexual in nature, such as touching, pinching, patting, brushing, massaging someone's neck or shoulders, and/or pulling against another's body or clothes. Conduct of interaction and approval may include applause and high-fives. Sol Housing and its partners all require that there are at least two adults present for any activity.

Reporting Procedure

All staff members who learn of or have a reasonable suspicion of prohibited conduct must immediately report it to their manager, who will report it to the local or state police and/or New Mexico Children, Youth and Families Department (CYFD).

Retaliation Prohibited

Sol Housing prohibits retaliation against anyone, including an employee, volunteer, board member, student, or individual, who in good faith reports prohibited conduct. Retaliation against a participant in the investigation is also prohibited. Anyone who retaliates against someone who has made a good faith allegation of prohibited conduct or intentionally provides false information to that effect will be subject to discipline, up to and including termination.

Employee Acknowledgment and Understanding
Sexual Abuse & Misconduct Prevention Policy

I, _____, have reviewed Sexual Abuse & Misconduct Policy and understand it. I agree to ask Sol Housing any questions that I may have concerning the Policy.

Employee Signature

Date

Employee Acknowledgment and Understanding
Drug-Free Workplace Policy

I, _____, have reviewed Drug-Free Workplace Policy and understand it. I agree to ask Sol Housing any questions that I may have concerning the Policy.

Employee Signature

Date

TO BE PLACED IN EMPLOYEE'S PERSONNEL FILE

Employee Acknowledgment and Understanding
Sol Housing Employee Handbook

I, _____, have received and reviewed a copy of the Sol Housing Employee Handbook, which outlines the goals, policies, benefits, and expectations of Sol Housing, as well as my responsibilities as an employee. I understand that my employment at Sol Housing is at will, which means that I may leave my employment or Sol Housing may decide to terminate my employment, with or without cause, with or without notice, at Sol Housing's discretion. I further understand that this Handbook is not a contract of employment and that it may be amended or modified by Sol Housing at its discretion. I also understand that nothing in the Handbook is meant to be construed as restricting any lawful form of activity under Section 7 of the National Labor Relations Act.

I have reviewed the Handbook and understand it. I agree to ask Sol Housing any questions that I may have concerning the policies or guidelines in the Handbook.

Employee Signature

Date

TO BE PLACED IN EMPLOYEE'S PERSONNEL FILE




Sol Housing
Conflict of Interest Certification

By signing below, I certify that I have read and understand the conflict of interest policy.

NO ACTUAL, APPARENT OR POTENTIAL CONFLICTS OF INTEREST

I, **Tessah Latson**, hereby certify that, to the best of my knowledge and belief, there are no present or currently planned interests (financial, contractual, organizational, or otherwise) relating to Sol Housing or contracts between Sol Housing and any of its vendors that would create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that would impinge on my ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term “potential conflict” means reasonably foreseeable conflict of interest. I further certify that I have and will continue to exercise due diligence in identifying and removing or mitigating, any such conflict of interest (or apparent conflict of interest).


Tessah Latson (Jun 10, 2024 21:14 MDT)
Tessah Latson, Board President

06/10/2024
DATE

DISCLOSURE OF ACTUAL, APPARENT or POTENTIAL CONFLICTS OF INTEREST

I, _____, hereby disclose the following present or currently planned interests (financial, contractual, organizational, or otherwise) relating to Sol Housing or contracts between Sol Housing and any of its vendors that may create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that may impinge on my ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term “potential conflict” means reasonably foreseeable conflict of interest.

SIGNATURE

DATE



Sol Housing
Conflict of Interest Certification

By signing below, I certify that I have read and understand the conflict-of-interest policy.

NO ACTUAL, APPARENT OR POTENTIAL CONFLICTS OF INTEREST

I, **Russell Brito**, hereby certify that, to the best of my knowledge and belief, there are no present or currently planned interests (financial, contractual, organizational, or otherwise) relating to Sol Housing or contracts between Sol Housing and any of its vendors that would create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that would impinge on my ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term "potential conflict" means reasonably foreseeable conflict of interest. I further certify that I have and will continue to exercise due diligence in identifying and removing or mitigating, any such conflict of interest (or apparent conflict of interest).


Russell Brito (Jun 12, 2024 15:21 MDT)

Russell Brito, Board Vice President

06/12/2024

DATE

DISCLOSURE OF ACTUAL, APPARENT or POTENTIAL CONFLICTS OF INTEREST

I, _____, hereby disclose the following present or currently planned interests (financial, contractual, organizational, or otherwise) relating to Sol Housing or contracts between Sol Housing and any of its vendors that may create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that may impinge on my ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term "potential conflict" means reasonably foreseeable conflict of interest.

SIGNATURE

DATE



Sol Housing
Conflict of Interest Certification

By signing below, I certify that I have read and understand the conflict of interest policy.

NO ACTUAL, APPARENT OR POTENTIAL CONFLICTS OF INTEREST

I, **Elvira Lopez**, hereby certify that, to the best of my knowledge and belief, there are no present or currently planned interests (financial, contractual, organizational, or otherwise) relating to Sol Housing or contracts between Sol Housing and any of its vendors that would create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that would impinge on my ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term "potential conflict" means reasonably foreseeable conflict of interest. I further certify that I have and will continue to exercise due diligence in identifying and removing or mitigating, any such conflict of interest (or apparent conflict of interest).


Elvira Lopez (Jun 11, 2024 08:37 MDT)

Elvira Lopez, Board Treasurer

06/11/2024

DATE

DISCLOSURE OF ACTUAL, APPARENT or POTENTIAL CONFLICTS OF INTEREST

I, _____, hereby disclose the following present or currently planned interests (financial, contractual, organizational, or otherwise) relating to Sol Housing or contracts between Sol Housing and any of its vendors that may create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that may impinge on my ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term "potential conflict" means reasonably foreseeable conflict of interest.

SIGNATURE

DATE



Sol Housing
Conflict of Interest Certification

By signing below, I certify that I have read and understand the conflict-of-interest policy.

NO ACTUAL, APPARENT OR POTENTIAL CONFLICTS OF INTEREST

I, **Sarah Hurteau**, hereby certify that, to the best of my knowledge and belief, there are no present or currently planned interests (financial, contractual, organizational, or otherwise) relating to Sol Housing or contracts between Sol Housing and any of its vendors that would create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that would impinge on my ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term “potential conflict” means reasonably foreseeable conflict of interest. I further certify that I have and will continue to exercise due diligence in identifying and removing or mitigating, any such conflict of interest (or apparent conflict of interest).

Sarah Hurteau
Sarah Hurteau (Jun 10, 2024 18:01 MDT)

Sarah Hurteau, Board Secretary

06/10/2024

DATE

DISCLOSURE OF ACTUAL, APPARENT or POTENTIAL CONFLICTS OF INTEREST

I, _____, hereby disclose the following present or currently planned interests (financial, contractual, organizational, or otherwise) relating to Sol Housing or contracts between Sol Housing and any of its vendors that may create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that may impinge on my ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term “potential conflict” means reasonably foreseeable conflict of interest.

SIGNATURE

DATE



Sol Housing
Conflict of Interest Certification

By signing below, I certify that I have read and understand the conflict-of-interest policy.

NO ACTUAL, APPARENT OR POTENTIAL CONFLICTS OF INTEREST

I, **Don Dudley**, hereby certify that, to the best of my knowledge and belief, there are no present or currently planned interests (financial, contractual, organizational, or otherwise) relating to Sol Housing or contracts between Sol Housing and any of its vendors that would create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that would impinge on my ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term “potential conflict” means reasonably foreseeable conflict of interest. I further certify that I have and will continue to exercise due diligence in identifying and removing or mitigating, any such conflict of interest (or apparent conflict of interest).

Don Dudley
Don Dudley (Jun 11, 2024 18:21 MDT)
Don Dudley, Board Member

06/11/2024
DATE

DISCLOSURE OF ACTUAL, APPARENT or POTENTIAL CONFLICTS OF INTEREST

I, _____, hereby disclose the following present or currently planned interests (financial, contractual, organizational, or otherwise) relating to Sol Housing or contracts between Sol Housing and any of its vendors that may create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that may impinge on my ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term “potential conflict” means reasonably foreseeable conflict of interest.

SIGNATURE

DATE




Sol Housing
Conflict of Interest Certification

By signing below, I certify that I have read and understand the conflict-of-interest policy.

NO ACTUAL, APPARENT OR POTENTIAL CONFLICTS OF INTEREST

I, **Alan Vincioni**, hereby certify that, to the best of my knowledge and belief, there are no present or currently planned interests (financial, contractual, organizational, or otherwise) relating to Sol Housing or contracts between Sol Housing and any of its vendors that would create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that would impinge on my ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term “potential conflict” means reasonably foreseeable conflict of interest. I further certify that I have and will continue to exercise due diligence in identifying and removing or mitigating, any such conflict of interest (or apparent conflict of interest).


Alan Vincioni (Jun 13, 2024 11:54 MDT)
Alan Vincioni, Board Member

06/13/2024
DATE

DISCLOSURE OF ACTUAL, APPARENT or POTENTIAL CONFLICTS OF INTEREST

I, _____, hereby disclose the following present or currently planned interests (financial, contractual, organizational, or otherwise) relating to Sol Housing or contracts between Sol Housing and any of its vendors that may create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that may impinge on my ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term “potential conflict” means reasonably foreseeable conflict of interest.

SIGNATURE

DATE



Sol Housing
Conflict of Interest Certification

By signing below, I certify that I have read and understand the conflict-of-interest policy.

NO ACTUAL, APPARENT OR POTENTIAL CONFLICTS OF INTEREST

I, _____, hereby certify that, to the best of my knowledge and belief, there are no present or currently planned interests (financial, contractual, organizational, or otherwise) relating to Sol Housing or contracts between Sol Housing and any of its vendors that would create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that would impinge on my ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term “potential conflict” means reasonably foreseeable conflict of interest. I further certify that I have and will continue to exercise due diligence in identifying and removing or mitigating, any such conflict of interest (or apparent conflict of interest).

Signature

DATE

DISCLOSURE OF ACTUAL, APPARENT or POTENTIAL CONFLICTS OF INTEREST

I, Felipe Rael, hereby disclose the following present or currently planned interests (financial, contractual, organizational, or otherwise) relating to Sol Housing or contracts between Sol Housing and any of its vendors that may create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that may impinge on my ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term “potential conflict” means reasonably foreseeable conflict of interest.

Felipe Rael
[Felipe Rael \(Jun 17, 2024 08:52 MDT\)](#)

Felipe Rael, Executive Director

06/17/2024

DATE

**City of Albuquerque
Boards and Commissions
Affordable Housing Committee (AHC)**

AHC Compliance with Conflict of Interest Policies

Both the use of grant funds from the U.S. Department of Housing and Urban Development (HUD) and the City of Albuquerque General Obligation Bond program's Workforce Housing Trust Funds require that procurement is free of any conflicts or potential conflicts when procuring services such as the development of Affordable Housing. The following citations from the Code of Federal Regulations and the City's Procurement Manual provide the policies which must be complied with when procuring such services.

Federal procurement requirement **2 CFR 200.319 (a)** states: All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements.

The **City of Albuquerque's Procurement Manual** (<https://www.cabq.gov/dfa/documents/city-of-albuquerque-procurement-manual.pdf>) requires that its procurement must be fair and transparent, as cited below:

Unfair Competitive Advantages

Fairness and transparency in procurement require that vendors competing for a specific good, service, and concession or construction project, do not derive an unfair advantage by directly participating in the preparation of specifications, qualifications, or evaluation criteria on which the solicitation was based. Therefore, any vendor and its affiliates that participate in the preparation of specifications, qualifications, or evaluation criteria of a solicitation shall be disqualified from submitting bids or proposals for that solicitation. In short, a vendor cannot respond to a solicitation if the vendor and its affiliates were directly involved with the preparation of the specifications. Notwithstanding this paragraph, the Central Purchasing Office may engage in procurements utilizing a challenged-based process in which open discussions with vendors and the public may occur. The focus of this process is to engage with the public to collectively and transparently develop ideas, methods, and other necessary information to proceed with a competitive solicitation.

AHC Conflict of Interest Procedures

In July of each year, AHC members will be required to disclose and certify whether or not they have a conflict of interest by serving on the AHC. **Additionally, it is each AHC member's responsibility to update the conflict of interest certification form, if anything changes during**

the course of the year. Should such a change in conflict status occur, the AHC member should contact the AHC staff person immediately to submit a revised certification and to avoid any challenges related to said conflict.

The City may request assistance from the AHC with regards to the details of affordable housing Request for Proposals (RFPs). In which case, the City will convene an RFP Subcommittee to discuss RFP Scopes, Goals, Ranking Criteria, etc. This subcommittee will allow for those AHC members who disclose no conflict and/or do not have any intention to respond to the RFP, may opt to participate in discussions regarding the RFP. All other AHC members which have a conflict and would like to opportunity to apply under said RFP will not be allowed to be present for any such discussions regarding the details of the RFP. The following procedures outline the process for each type of disclosure and certification.

If no conflict is disclosed, that AHC member may participate in the development of RFPs and/or discussions RFP-specific scopes. By doing so, the organization represented by that member is removed from being an eligible respondent to that RFP. That member shall sign a non-disclosure statement to certify and assure that the member will not disclose or make available the details of the RFP to competing offerors or persons not involved in the RFP development process.

If an actual, apparent, or potential conflict is disclosed, that AHC member may not sit on the RFP Sub-committee, participate in the development of RFPs and/or discussions RFP-specific scopes and must follow the following procedure:

The AHC member with the potential for a conflict of interest shall withdraw from any functions, responsibilities and decision making processes that is directly or indirectly related to the specific activity that contains a conflict of interest. This includes, but is not limited to: discussion related to the development of Request for Proposals (RFPs), its evaluation criteria, and/or its scopes, for which the organization he/she represents and has the ability to apply under such RFP. By such AHC members recusing themselves from all mentioned RFP discussions, it alleviates any actual, apparent, or potential for a conflict of interest and provides the opportunity for the AHC member's organization to be an eligible respondent to that RFP.

As an appointed member of the City of Albuquerque's Affordable Housing Committee, I hereby certify that I have read, understand, and agree to follow the aforementioned AHC Conflict of Interest Policies and Procedures.

Felipe Rael
SIGNATURE

October 24, 2023
DATE



STATE OF NEW MEXICO

MAGGIE TOULOUSE OLIVER

SECRETARY OF STATE

Certificate of Good Standing and Compliance

IT IS HEREBY CERTIFIED THAT:

Sol Housing
1613249

the above named entity, a Corporation incorporated under the laws of New Mexico, is duly authorized to transact business in New Mexico as a Domestic Nonprofit Corporation, under the

Nonprofit Corporation Act

53-8-1 to 53-8-99 NMSA 1978

having filed its Articles of Incorporation on May 11, 1993, and Certificate of Incorporation issued as of said date.

It is further certified that the fees due to the Office of the Secretary of State which have been assessed against the above named entity have been paid to date and the entity is in good standing and duly authorized to transact business as its existence has not been revoked in New Mexico. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's financial condition or business activities and practices.

Certificate Issued: April 16, 2024

In testimony whereof, the Office of the Secretary of State has caused this certificate to be signed on this day in the City of Santa Fe, and the seal of said office to be affixed hereto.



Maggie Toulouse Oliver

Maggie Toulouse Oliver
Secretary of State

Certificate Validation #: 0088276

A certificate issued electronically from the New Mexico Secretary of State's office is immediately valid and effective. The validity of a certificate may be established by viewing the Certificate Validation option on the Business Filing System at <https://portal.sos.state.nm.us/bfs/online> and following the instructions displayed under Certificate Validation.



FELIPE RAE, MBA, HCCP

Executive Director



Felipe Rael has over 20 years housing finance expertise with Low Income Housing Tax Credits, bond financing, FHLB Affordable Housing Program, Fannie Mae/Freddie Mac, Real Estate Capital Markets, Commercial Mortgage Backed Securities (CMBS) and State of New Mexico affordable housing development programs. Management expertise includes: staff development, profit & loss, financial controls & reporting, strategic planning, program policies & procedures and marketing to a variety of public, private & non-profit development partners.



Education

- Master of Business Administration | Claremont Graduate University
- Developmental Economics | Universidad Anáhuac México Sur
- Bachelor of Arts | Claremont McKenna College



Professional Affiliations

- Federal Home Loan Bank of Dallas - Board of Directors
- Prospanica (The Association of Hispanic MBA's)
- National Association of Corporate Directors
- Latino Corporate Directors Association



Community Involvement

- American Legion Boys State and Boys Nation
- City of Albuquerque Affordable Housing Committee
- City of Albuquerque Homeless Coordinating Council-Housing Committee

Contact information

 **505.244.1614**

 **info@solhousing.org**



SOL HOUSING

MIRIAM J. HICKS, RA

Director of Housing Development

Registered Architect, New Mexico (#4693)

National Certification Architectural
Registration Board (NCARB) Certified



Miriam's passion for affordable housing brought her to Sol Housing in 2018 after more than 20 years working for Dekker/Perich/Sabatini (D/P/S) in Albuquerque. As a licensed Architect, she uses her experience with entitlements, affordable housing projects, construction administration, and design to support Sol Housing's mission to create exceptional housing communities. Miriam's coordination and communication as a project manager helps lead the Sol Housing team from funding applications through placing housing communities in service.



Education

- Bachelor of Architecture | Virginia Polytechnic Institute and State University



Community Involvement

- Albuquerque Affordable Housing Committee (AAHC), Executive Committee
- Equity Council, Alice King Middle School
- Steering Committee, Rio Rancho Housing Plan
- Board Member, Jerry Cline Neighborhood Association

Contact information

 505.705.3703

 miriam@solhousing.org



KELLE SENYÉ, CPM® ARM®

Deputy Director of Operations

Institute of Real Estate Management: Certified Property Manager (CPM®), Accredited Residential Manager (ARM®)
National Apartment Association Education Institute: Faculty



Kelle has more than 15 years of property management experience and 10 years of non-profit management. Directly prior to arriving at Sol Housing, she served 9 years advocating for and educating rental property owners and managers as the Executive Director of the Apartment Association of New Mexico. She graduated from ENMU with a Bachelor's degree in 1993. From the Institute for Real Estate Management, she earned her ARM® in 1996 and her CPM® in 2022, and is currently the President of the IREM NM Board of Directors. She is a past Board President of the New Mexico Society of Association Executives, and a past President of the Governing Council for Mountain Mahogany Community School. In 2015, Kelle became a faculty member of National Apartment Association Education Institute and has been an approved instructor for the New Mexico Real Estate Commission since 2011.



Education

- Bachelor of Fine Arts | Eastern New Mexico University



Professional Affiliations

- Institute of Real Estate Management (IREM): NM Chapter



Community Involvement

- City of Albuquerque Housing and Neighborhood Economic Development Committee
- Nurse Wellness Project, Board of Directors

Contact information

 **505.705.3704**

 **kelle@solhousing.org**



SOL HOUSING

LAURIE FRAPPIER, MA

Director of Community Relations



Laurie Frappier has worked in nonprofit management since 2002, holding leadership positions with the YMCA of Central New Mexico, New Mexico Senior Olympics, Leadership New Mexico, and Supportive Housing Coalition of New Mexico. Laurie has executive-level leadership experience in strategic planning and staff development and has led organizational efforts in marketing, communications, branding, fundraising, event management, board development and recruitment, community and donor relations, grant writing, and volunteer coordination.

Laurie is passionate about affordable housing and the role it serves in creating a better life for New Mexicans. Laurie uses her community relations and marketing skills to further the mission of Sol Housing while advocating for affordable housing development in Albuquerque.



Education

- Bachelor of Arts | College of St. Scholastica
- Master of Arts | University of Dayton



Community Involvement

- Albuquerque Affordable Housing Coalition, Executive Committee
- UNM Housing Justice Research Group
- Tennis Enthusiast Action Movement (TEAM)

Contact information

 505.705.3706

 laurie@solhousing.org



RITA GONZALEZ, CPA

Controller



Rita has over 35 years of accounting experience, including 10 years in public accounting and 25 years in private industry. Public accounting experience includes leading audits for several non-profit clients, construction companies and many other clients in private industry. She also prepared tax returns for many different types of clients over her public accounting career, including real estate partnerships. Her private industry experience includes controllerships with a real estate developer, a general contractor, a beer importer, a Red Robin franchise with six locations and a sushi restaurant with eight locations. Other experience includes providing consulting services for a building materials manufacturer, filing severance tax refunds for a large oil and gas producer with over 1500 wells and reconstructing the accounting records for a small minority owned construction company under a county sponsored mentoring program. She is a Texas Certified Public Accountant. Rita currently lives in Frisco, Texas and works remotely.



Education

- Bachelor of Science, Business Administration-Accounting| University of Albuquerque



Professional Affiliations

- Certified Public Accountant | TexasAM)

Contact information

 210.643.6645

 rita@solhousing.org

DAVID POOLE

Enrichment Services Coordinator



An Albuquerque native, David has had a varied career as a musician, teacher, carpenter and writer. He came to Sol Housing after 27 years with the La Mesa Presbyterian Church, located in the International District. While teaching and directing music, he was also involved in the church's food pantry, the beautification of the neighborhood, the founding of the La Mesa Arts Academy, and providing free after-school arts education. Other adventures include the Albuquerque Opportunity Center, a shelter for homeless men, and New Mexico Women's Global Pathways, a non-profit building economic opportunity for refugee women and girls. He is bilingual (English/Spanish) and has extensive experience working with diverse populations and coordinating volunteers.

David coordinates Enrichment Services at Sol Housing properties including weekly food pantry, health and wellness clinics, fitness classes, technology classes, Medicaid/Medicare information, gardening, and various social opportunities for seniors and families.



Education

- Bachelor of Arts, English Literature | Indiana University
- Master of Music | University of New Mexico



Professional Affiliations

- American Choral Directors Association
- Presbyterian Association of Musicians

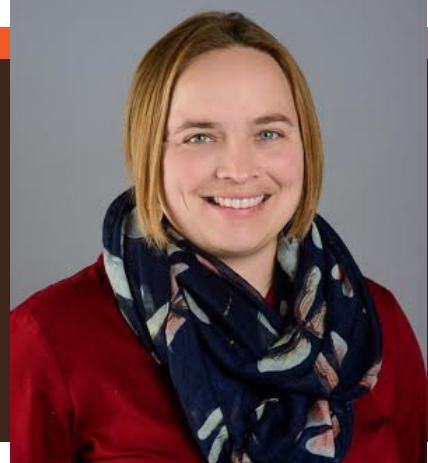


Community Involvement

Ghost Ranch Education and Retreat Center, Planning Team Member

KENZIE DAVISON, MA, BCBA

Enrichment Services Coordinator



Kenzie brings over 20 years of experience in community building and centering families' needs. She interweaves her background in play therapy, parent coaching, and community design into coordinating events and resources for Sol Housing. She is currently on the Board of Directors for Ocate Cliffs and was a primary catalyzer for Grow Local Colorado. ASL (American Sign Language) has been her home language for over 12 years. Kenzie enjoys geeking out about regenerative design/patterns, linguistics, and spirituality. She lives in a local intentional community centered around music, art, & entrepreneurship.

Kenzie coordinates Enrichment Services at Sol Housing properties including weekly food pantry, health and wellness clinics, fitness classes, technology classes, Medicaid/Medicare information, gardening, and various social opportunities for seniors and families.



Education

- Bachelor of Arts, Psychology | Oberlin College
- Master of Arts, Applied Behavior Analysis | Ball State University



Professional Affiliations


- Board Certified Behavior Analyst
- Synergetic Play Therapy Externship & Certification



Community Involvement

- Ocate Cliffs, Board of Directors

Contact information

 **505.980.1459**
VP (ASL) 505.544.2639

 **kenzie@solhousing.org**

DUJUAN MCCOY, BFA

Enrichment Services Coordinator



DuJuan is a native of Cleveland, Ohio who has lived in Albuquerque since 2015. He has several years of higher education experience in both department coordination and academic advisement. DuJuan has served as a volunteer board member for local nonprofit, Faithworks, for the past year. He believes that affordable housing is a right to all regardless of background or income. DuJuan is also an advocate for human rights and equity in outcomes for all communities.

DuJuan coordinates Enrichment Services at Sol Housing properties including weekly food pantry, health and wellness clinics, fitness classes, technology classes, Medicaid/Medicare information, gardening, and various social opportunities for seniors and families.



Education

- Bachelor of Fine Arts |
University of Cincinnati



Community Involvement

- Faithworks, Volunteer Board
Member



SOL HOUSING

ROBERT J. SITKOWSKI, AICP, ESQ.

Associate Director of Housing Development



Robert Sitkowski has over 35 years of experience in all aspects of real estate development, including law, urban planning, urban design and architecture. He joined GAHP in 2023 after retiring from the University of Connecticut, where he served as its Associate Director of Real Estate and as an Adjunct Professor in its School of Public Policy.



Education

- Juris Doctor | University of Pittsburgh School of Law
- Master of Urban & Regional Planning | University of Pittsburgh
- Bachelor of Architecture in Design | University of Illinois



Professional Affiliations

- American Institute of Certified Planners

Contact information

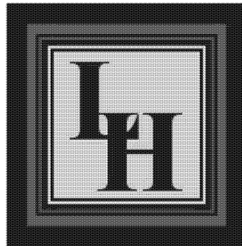
 505.244.1614

 bob@solhousing.org

**GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A NOT-FOR-PROFIT CORPORATION)**

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022



Loveridge Hunt & Co., PLLC
CERTIFIED PUBLIC ACCOUNTANTS

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Loveridge Hunt & Co., PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Greater Albuquerque Housing Partnership
Albuquerque, New Mexico

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Greater Albuquerque Housing Partnership (the Organization), which comprise the consolidated statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Greater Albuquerque Housing Partnership as of December 31, 2022, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Greater Albuquerque Housing Partnership and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater Albuquerque Housing Partnership's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

INDEPENDENT AUDITOR'S REPORT - (CONTINUED)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Greater Albuquerque Housing Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater Albuquerque Housing Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

INDEPENDENT AUDITOR'S REPORT - (CONTINUED)

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The additional information shown on pages 31 to 40 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Loveridge Hunt & Co, PLLC

Bellevue, Washington
September 19, 2023

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2022

ASSETS

Current assets:

Cash and cash equivalents	\$ 6,346,992
Accounts receivable - tenants	42,680
Other receivables	434,133
Prepaid expenses	<u>44,029</u>
Total current assets	6,867,834

Restricted cash:

Tenant security deposits	142,701
Mortgage escrow	257,526
Operating reserves	1,577,107
Replacement reserves	775,072
Endowment fund designated by Board	<u>49,674</u>
Total restricted cash	2,802,080

Property, building, equipment, land, right of use asset and construction in progress:

Property, building and equipment, at cost	79,909,432
Accumulated depreciation	<u>(16,191,178)</u>
Net property, building and equipment	63,718,254
Land	4,930,687
Right of use asset - land lease	353,647
Construction in progress	<u>12,028,596</u>

Property, building, equipment, land and construction in progress: 81,031,184

Other assets:

Notes receivable - Homebuyers	315,982
Tax credit fees, net	<u>260,388</u>
Total other assets	<u>576,370</u>

Total assets \$ 91,277,468

Continued on page 5.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - (CONTINUED)

December 31, 2022

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable	\$ 1,462,841
Accrued expenses	34,549
Accrued partnership fees	6,652
Prepaid rents	292,347
Deferred revenue	117,600
Tenant security deposits	125,086
Accrued payroll taxes	33,251
Accrued interest payable	59,132
Long-term debt - short term portion	<u>179,514</u>
Total current liabilities	2,310,972

Non-current liabilities:

Lease liability	359,966
Construction loan payable	5,314,921
Long-term debt, net of debt issuance costs	<u>31,526,702</u>
Total non-current liabilities	<u>37,201,589</u>

Total liabilities	<u>39,512,561</u>
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Net assets:

Net assets without donor restrictions	<u>51,764,907</u>
Total net assets	<u>51,764,907</u>

Total liabilities and net assets	<u>\$ 91,277,468</u>
----------------------------------	----------------------

The accompanying notes are an integral part of these financial statements.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

CONSOLIDATED STATEMENT OF ACTIVITIES

Year Ended December 31, 2022

CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS:

Operating Revenues:

Rental income	\$ 3,621,950
Tenant services income	95,840
Grants	149,969
Development fees	1,500,000
Interest income	1,423
Sustainable tax credits	238,273
Other income	<u>345,034</u>
Total program revenue	<u>5,952,489</u>

Operating Expenses:

Program	6,302,492
Supporting Service	<u>238,643</u>
Total program expenses	<u>6,541,135</u>

CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS: (588,646)

Beginning of year	43,039,466
Capital contributions:	
Other limited partners in controlled partnerships	<u>9,320,556</u>
Total capital contributions	9,320,556
Capital distributions:	
Other limited partners in controlled partnerships	<u>(6,469)</u>
Total capital distributions	<u>(6,469)</u>
End of year	<u>\$ 51,764,907</u>

The accompanying notes are an integral part of these financial statements.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended December 31, 2022

	Program Services								Supporting Services			
	Plaza Feliz Apartments	Plaza Ciudana	Cuatro Apartments	Casa Feliz Apartments	Sterling Apartments	Luminaria Apartments	Hiland Apartments	Affordable Housing Program	Total Program	Management and General	Eliminations	Total Expenses
Salaries	\$ 82,805	\$ 79,917	\$ 73,032	\$ 105,801	\$ 131,585	\$ 70,010	\$ -	\$ 475,711	\$ 1,018,861	\$ 118,928	\$ -	\$ 1,137,789
Payroll taxes	8,990	8,318	7,776	12,259	12,820	7,906	-	42,233	100,302	10,558	-	110,860
Employee benefits	<u>4,962</u>	<u>16,807</u>	<u>4,241</u>	<u>4,129</u>	-	<u>5,786</u>	-	<u>183,107</u>	<u>219,032</u>	<u>45,777</u>	-	<u>264,809</u>
	96,757	105,042	85,049	122,189	144,405	83,702	-	701,051	1,338,195	175,263	-	1,513,458
Administration expense, other	7,237	6,143	7,803	12,996	15,807	28,260	-	49,974	128,220	12,494	-	140,714
Advertising, marketing	1,151	1,897	2,166	1,863	1,882	7,181	-	-	16,140	-	-	16,140
Accounting and legal	13,079	16,040	12,605	28,034	16,374	15,515	-	29,445	131,092	7,361	-	138,453
Bad Debt (recovery)	3,655	376	156	1,039	1,983	(150)	-	-	7,059	-	-	7,059
Contractual Services	36,449	36,386	28,240	53,444	67,423	54,624	-	1,838	278,404	459	-	278,863
Interest, fees	64,555	49,064	3,839	121,460	241,012	346,524	-	-	826,454	-	(588,582)	237,872
Insurance	32,518	22,725	30,602	36,192	38,415	712	-	13,005	174,169	3,251	-	177,420
Miscellaneous	310	320	2,412	418	2,824	1,964	-	96,569	104,817	24,142	-	128,959
Operating, maintenance expense	156,775	80,042	47,359	148,155	68,467	48,193	-	-	548,991	-	-	548,991
Project expenses-other	166	243	226	589	359	563	-	26,987	29,133	6,747	-	35,880
Social services expenses	20,000	20,000	8,300	21,500	-	11,502	-	7,178	88,480	1,795	(81,302)	8,973
Supplies	2,140	1,010	1,263	2,184	1,209	1,792	-	11,659	21,257	2,915	-	24,172
Partnership fees	78,836	7,480	5,500	34,778	32,946	15,000	-	-	174,540	-	(140,984)	33,556
Taxes, real estate and other	30,648	31,589	23,150	43,668	3,910	2,248	-	608	135,821	152	-	135,973
Telecommunications	6,626	10,451	6,434	15,663	8,512	5,158	-	9,167	62,011	2,292	-	64,303
Travel	-	-	15	-	-	-	-	4,508	4,523	1,127	-	5,650
Utilities	<u>56,810</u>	<u>100,034</u>	<u>47,293</u>	<u>106,448</u>	<u>57,327</u>	<u>40,252</u>	-	-	<u>408,164</u>	<u>92</u>	-	<u>408,256</u>
Total before amortization and depreciation	607,712	488,842	312,412	750,620	702,855	663,040	-	951,989	4,477,470	238,090	(810,868)	3,904,692
Amortization and depreciation	<u>306,115</u>	<u>356,890</u>	<u>329,439</u>	<u>771,691</u>	<u>568,499</u>	<u>305,144</u>	<u>5,000</u>	<u>2,212</u>	<u>2,644,990</u>	<u>553</u>	<u>(9,100)</u>	<u>2,636,443</u>
	<u>\$ 913,827</u>	<u>\$ 845,732</u>	<u>\$ 641,851</u>	<u>\$ 1,522,311</u>	<u>\$ 1,271,354</u>	<u>\$ 968,184</u>	<u>\$ 5,000</u>	<u>\$ 954,201</u>	<u>\$ 7,122,460</u>	<u>\$ 238,643</u>	<u>\$ (819,968)</u>	<u>\$ 6,541,135</u>

The accompanying notes are an integral part of these financial statements.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended December 31, 2022

Cash flows from operating activities:	
Change in net assets	\$ (588,646)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	2,627,443
Amortization, deferred financing fees	13,788
Amortization of prepaid land lease	9,000
Changes in certain assets and liabilities:	
Accounts receivable - tenants	(15,745)
Other receivables	7,452
Prepaid expenses	(4,636)
Prepaid operating lease	95,000
Accounts payable	(1,081,306)
Accrued expenses	140
Accrued partnership fees	194
Prepaid rents	208,782
Tenant security deposits liability	23,304
Accrued payroll taxes	4,251
Accrued interest payable	<u>20,118</u>
Net cash provided by operating activities	1,319,139
Cash flows from investing activities:	
Payments for property, building, equipment, land and right of use assets	(4,826,599)
Payments for construction in progress	<u>(10,970,321)</u>
Net cash used by investing activities	(15,796,920)
Cash flows from financing activities:	
Payments on construction loan	(1,121,045)
Proceeds from construction loan	5,314,921
Proceeds from long-term debt	3,552,957
Payments of long-term debt	(323,140)
Capital contributions	9,320,556
Capital distributions	<u>(6,469)</u>
Net cash provided by financing activities	<u>16,737,780</u>
Net increase in cash, cash equivalents and restricted cash	2,259,999
Cash, cash equivalents and restricted cash - beginning of year	<u>6,889,073</u>
Cash, cash equivalents and restricted cash - end of year	<u>\$ 9,149,072</u>

Continued on page 9.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

CONSOLIDATED STATEMENT OF CASH FLOWS - (CONTINUED)

Year Ended December 31, 2022

Supplemental disclosure of cash flow information:

Cash paid for interest	\$ 143,514
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Supplemental disclosure of non-cash investing and financing activities:

Increase in property, building, equipment and land reclassified from construction in progress	\$ 11,930,168
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Increase in construction in progress financed by accounts payable	\$ 1,413,727
accrued interest	\$ 171,911

The accompanying notes are an integral part of these financial statements.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

The Greater Albuquerque Housing Partnership (GAHP) is a nonprofit organization (the "Organization") incorporated in New Mexico in 1993. The mission of GAHP is to raise the economic and social levels of residents of Albuquerque, New Mexico by providing affordable housing opportunities. GAHP is primarily funded through federal, state, and local government grants, loans, and other assistance, and developer fees earned from the development of low-income housing projects. Primary organizational activities include the development and management of multifamily rental properties, and community educational activities. The sources of financing are restricted and governed by a variety of statutory and regulatory requirements. As such, GAHP's multifamily rental properties have legal structures separate and distinct from GAHP through the use of limited partnerships.

GAHP is the General Partner in seven (7) for-profit housing development affiliates (the "Controlled Affiliates"). The Controlled Affiliates consist of the seven limited partnerships: Plaza Feliz Limited Partnership ("Plaza Feliz LLLP"), Plaza Ciudadana Limited Partnership ("Plaza Ciudadana LLLP"), Cuatro Apartments Limited Partnership ("Cuatro Apartments LLLP"), Casa Feliz Limited Partnership ("Casa Feliz LLLP"), Sterling Apartments Limited Partnership ("Sterling Apartments LLLP"), Luminaria Apartments Limited Partnership ("Luminaria Apartments LLLP") and Hiland Plaza Apartments Limited Partnership ("Hiland Plaza Apartments LLLP"). The partnerships were organized to construct and manage housing projects in Albuquerque, New Mexico. Under the terms of the agreements, the General Partner is entitled to approximately .01% or less of distributable cash, profits, and losses plus reimbursement of expenses. The Limited Partners retain ownership of the remaining approximate 99.99% of the projects. The Limited Partners are entitled to tax credits over 15 years. At the expiration of the tax credit period, GAHP has the option to purchase the housing projects at a substantially discounted rate. All seven projects are funded primarily with tax credits and to a lesser extent from government grants and loans. GAHP was involved in the development of these projects and received development fees, and other management and project fees.

GAHP and all the Controlled Affiliates are governed by the same Board of Directors. The Board Members have the responsibility for determining policy and for the execution and evaluation of programs and activities conducted by the Organization. GAHP's board is currently composed of seven members. Board members are selected based upon the geographic, cultural, economic, and business interests of GAHP. The term served by a Board Member is two years, and no board member may serve more than four consecutive terms.

Consolidated Entities (Controlled Affiliates)

Plaza Feliz Limited Partnership

Plaza Feliz Limited Partnership is a for-profit partnership, which was formed in 2010 to lease the land and to develop, finance, construct, own, maintain, and operate the Plaza Feliz Apartments, a multi-family apartment including 55 low-income units, 10 market rate units, one non-revenue manager's unit, a daycare facility and a rental office. GAHP is the general partner, with a .01% interest in the Plaza Feliz Limited Partnership.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES - (CONTINUED)

Plaza Ciudadana Limited Partnership

Plaza Ciudadana Limited Partnership is a for-profit partnership, which was formed in 2014 to lease the land and to develop, finance, construct, own, maintain, and operate the Plaza Ciudadana Apartments, a multi-family apartment complex including 56 low-income units, 11 market rate units, and one non-revenue manager's unit. GAHP is the general partner, with a .01% interest in the Plaza Ciudadana Limited Partnership.

Cuatro Apartments Limited Partnership

Cuatro Apartments Limited Partnership is a for-profit partnership, which was formed in 2014, to lease the land and to develop, finance, construct, own, maintain, and operate Cuatro Apartments, a multi-family apartment complex for seniors including 55 low-income units and one non-revenue manager unit. GAHP is the general partner, with a 0.01 percent interest in the Cuatro Apartments Limited Partnership.

Casa Feliz Limited Partnership

Casa Feliz Limited Partnership is a for-profit partnership, which was formed in 2015 to lease the land and to develop, finance, construct, own, maintain, and operate the Casa Feliz Apartments, a multi-family housing on scattered sites including 88 low-income units and one non-revenue manager unit. GAHP is the general partner, with a 0.01 percent interest in the Casa Feliz Limited Partnership.

Sterling Apartments Limited Partnership

Sterling Apartments Limited Partnership is a for-profit partnership, which was formed in 2016 to lease the land and to develop, finance, construct, own, maintain, and operate Sterling Apartments, a multi-family apartment complex including 106 low-income units and one non-revenue manager unit. GAHP is the general partner, with a 0.01 percent interest in the Sterling Apartments Limited Partnership.

Luminaria Apartments Limited Partnership

Luminaria Apartments Limited Partnership is a for-profit partnership, which was organized in 2019 to develop, own and operate a multi-family apartment complex for seniors, including 91 low-income units and 1 non-revenue manager unit. GAHP is the general partner, with a 0.01 percent interest in the Luminaria Apartments Limited Partnership. The Project was completed in April 2022 and placed into service as of December 31, 2022.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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NOTES TO FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES - (CONTINUED)

Hiland Plaza Apartments Limited Partnership

Hiland Plaza Apartments Limited Partnership is a for-profit partnership, which was organized in 2020 to acquire, develop, construct, own, maintain and operate the Hiland Plaza Apartments, a multifamily apartment complex for the deaf community including 91 units and 1 manager non-revenue unit. GAHP is the general partner, with a 0.01 percent interest in Hiland Plaza Apartments Limited Partnership.

The project was under construction at year-end, and no rental activities, operating income or expenses had yet occurred. The project completed and was placed in service in August 2023.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of GAHP and seven controlled affiliates. Collectively, the consolidated entity is referred to as the Organization. All material inter-organization transactions have been eliminated in the consolidation.

Basis of Presentation

The financial statements are presented in accordance with Accounting Standards Codification 958, Financial Statements of Not-For-Profit Organizations, which requires the Organization to report information regarding its financial position and activities according to three classes of net position: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The Organization had no grantor-imposed or donor-imposed restrictions at the beginning or end of the year.

There was an endowment fund designated by the Board of Directors in a prior year. This fund was not restricted by outside donors, and is therefore included as an unrestricted, but board designated, net asset.

Method of Accounting

The accrual method of accounting is used for financial statement purposes in accordance with generally accepted accounting principles.

Lease Agreement and Change in Accounting Principle

In February 2016, the FASB issued Accounting Standards Update ("ASU") 2016-02, Leases, and ASU 2018-10, Codification Improvements to Topic 842, Leases, which are intended to improve reporting and comparability among organization by recognizing right of use assets and lease liabilities on the Financial Position. The Organization has adopted this new pronouncement effective January 1, 2022. The adoption of ASC 842 increased both Assets and Liabilities on the Financial Position by \$359,966 for the year ended December 31, 2022. The discount used to calculate the present value of future lease payments is the same as mortgage payable, 6 percent per annum, see Note 15.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities for the year ended December 31, 2022. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Net Assets

Net assets, revenue, and support are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that such resources be maintained in perpetuity. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes. As of December 31, 2022, there were no such net assets.

Cash, Cash Equivalents and Restricted Cash

For purposes of the statement of cash flows, all highly liquid investments available for current use with an initial maturity of three months or less are considered to be cash equivalents. The carrying amount approximates fair value because of the short maturity of those instruments.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the statement of financial position that sum to the total of the same such amounts shown in the statements of cash flows:

	December 31, <u>2022</u>
Cash and cash equivalents (operations)	\$ 6,346,992
Tenant security deposits	142,701
Mortgage escrow deposits	257,526
Operating reserves	1,577,107
Replacement reserve	775,072
Endowment fund designated by Board	<u>49,674</u>
Total cash, cash equivalents and restricted cash shown in the statement of cash flows	\$ <u>9,149,072</u>

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Concentration of Credit Risk

The Organization maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed federally insured limits. GAHP has not experienced any losses in such accounts. Management believes that GAHP is not exposed to any significant credit risk on cash and cash equivalents.

Property and Equipment and Depreciation

All expenditures for land, land improvements, building and equipment are capitalized at cost or fair value if donated and depreciated by straight-line and accelerated methods. Assets purchased for specific grant purposes are recorded in the appropriate fund. Depreciation is calculated on the straight-line basis over the estimated useful lives that range from forty years for building, five to seven years for furniture, machinery and equipment, and three years for software. Leasehold improvements are depreciated over the life of the lease.

Improvements, additions and replacements in excess of \$1,000 are generally capitalized. Expenditures for repairs, replacements, and maintenance which do not add to the value of the asset or materially extend an asset's life are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statement of operations.

Impairment

The Organization reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the rental property and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of such property. There was no impairment loss recognized for the year ended December 31, 2022.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Amortization of Debt Issuance Costs

Debt issuance (loan) costs related to a recognized debt liability are presented in the statements of financial position as a direct deduction from the carrying amount of that debt liability and amortization of debt issuance costs are reported as interest expense in accordance with ASU 2015-03. Debt issuance costs are amortized over the period the obligation is outstanding using the straight-line method. This does not result in a significant difference from the effective interest rate method.

Donated Services and Products

Donated products such as donated furniture and equipment, to the extent they are reasonably determinable, are recorded as contributions at their fair market value at the date of contribution. Donated services are recorded per the terms of the revenue recognition subtopic for not-for-profit organizations under the ASC 958-605. There were no donated services or supplies that fell within the scope of this guidance for the fiscal year ended December 31, 2022.

Promises, Pledges to Give

Promises and pledges to give contributions are recognized upon notification of a donor's unconditional promise to give to the Organization. Contributions that are donor-restricted are recorded as increases in restricted net assets until the donor restriction expires. When a donor restriction expires because a stipulated time or purpose restriction is met, the restricted net assets are reclassified to unrestricted net assets. There were not restricted net assets received for the fiscal year ended December 31, 2022.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. To the extent that donor restrictions are met within the same reporting period that the contributions are received, the gifts are reported as unrestricted support during that period.

Revenue Recognition

Rental income for the multifamily housing properties wholly owned and operated by the Organization is recognized as earned. Approximately 61% of the consolidated Organization's revenues are apartment tenant rental fees.

Revenue from related parties, such as partnership management and developer fee, is recognized as performance obligations are satisfied during the development and operation period of the project.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Accounts Receivable and Bad Debt

Related parties receivables represents amounts due from the multi-family housing projects, the Controlled Affiliates, in which GAHP owns minority interests. Accounts receivable are reported at the amount management expects to collect on balances outstanding at December 31, 2022. Management closely monitors outstanding balances and writes off all balances deemed uncollectible. No allowance was deemed necessary as all receivables are deemed fully collectible.

Federal Income Tax

The Organization is exempt from federal income tax as an entity described in Section 501(c)(3) of the Internal Revenue Code. As a result, there is no provision for federal income taxes in these financial statements and no federal income taxes were paid. Management believes that the Organization has adequately addressed all relevant tax positions and there are no unrecorded tax liabilities. Generally, the Organization's tax returns remain open for three years for federal income tax examination.

The limited partnerships, Plaza Feliz LLLP, Plaza Ciudadana LLLP, Cuatro Apartments LLLP, Casa Feliz LLLP, Sterling Apartments LLLP, Luminaria Apartments LLLP and Hiland Plaza Apartments LLLP are each taxed as a for-profit partnership. Taxable income or loss passes through to and is reportable by the partners individually. The General Partner for Casa Feliz LLLP and Sterling Apartments LLLP, is a single-member LLC owned by GAHP and is therefore a disregarded entity as defined by the Internal Revenue Code.

The General Partner for Plaza Feliz LLLP, Plaza Ciudadana LLLP, Cuatro Apartments LLLP, Luminaria Apartments LLLP and Hiland Plaza Apartments LLLP, made an IRC Sec 168(h) election and filed Form 8832, Entity Classification Election, to be taxed as a corporation. They file IRS form 1120, US Corporation Income Tax Return, annually.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events

Management of the Organization has evaluated events and transactions occurring after December 31, 2022 through September 19, 2023, the date the financial statements were available for issuance, for recognition or disclosure in the financial statements. There were no events and transactions that required recognition and disclosure in the financial statements, except those have been disclosed in Note 6 and Note 14.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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NOTES TO FINANCIAL STATEMENTS

NOTE 3 - RESTRICTED CASH

Plaza Feliz, Sterling Apartments, Casa Feliz, Cuatro Apartments, Plaza Ciudadana and Luminaria Apartments are required to fund certain reserve accounts in accordance with underlying regulatory and loan agreements. As of December 31, 2022, the restricted cash accounts consisted of:

	Operating reserves	Replacement reserves	Mortgage Escrows	Tenant trust Security deposits
Plaza Feliz	\$ 221,152	\$ 232,324	\$ 13,974	\$ 23,310
Sterling Apartments	340,176	126,352	17,763	32,183
Casa Feliz	269,310	136,949	-	28,166
Cuatro Apartments	211,476	91,896	29,688	13,650
Plaza Ciudadana	211,477	179,884	196,101	22,530
Luminaria Apartments	<u>323,516</u>	<u>7,667</u>	<u>-</u>	<u>22,862</u>
Total	<u>\$ 1,577,107</u>	<u>\$ 775,072</u>	<u>\$ 257,526</u>	<u>\$ 142,701</u>

In addition, an endowment fund was created in prior years to honor certain board members and employees of the Organization for exemplary service, and to provide funds restricted to charitable, scientific, or educational grants to support the activities of the Organization. The fund was board designated, and has received no funds that were donor restricted, and is therefore considered part of net assets without donor restrictions. The fund is held and administered under an agreement with the Albuquerque Community Foundation (ACF). The agreement stipulates that the fund shall be the property of ACF in its corporate capacity, and not deemed a trust fund held by ACF in a trustee capacity. All gifts to the fund are irrevocable. ACF has ultimate authority and control over all endowment property held and the income derived. ACF may commingle the property of the endowment fund with other funds of the foundation for investment purposes. Distributions from the fund shall be as stated in ACF's distribution policy. The Organization is notified annually of the endowment funds available for distribution, and the Organization then directs whether a distribution is made. The endowment fund was valued using level 3 fair value inputs. As of December 31, 2022, the fair value of the endowment fund was \$49,674.

NOTE 4 - NOTES RECEIVABLE

Mortgage notes receivable from homebuyers include \$315,982 due from 21 purchasers of homes in prior years. These notes have no interest provision and are due only upon the sale of the homes by the original purchasers. They are secured by mortgages on the related properties. They are intended as incentives for the original purchasers to continue to occupy the homes, especially where the market value at the purchase date exceeded the purchase price. Because the notes are secured by the homes, management considers the possibility of any future material losses to be unlikely, and therefore no allowance for bad debts has been recorded.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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NOTES TO FINANCIAL STATEMENTS

NOTE 5 - LAND, BUILDINGS, AND EQUIPMENT

Land, buildings, and equipment are summarized as follows as of December 31, 2022:

	GAHP	Controlled Affiliates	Total
Land	\$ 3,046,017	\$ 1,884,670	\$ 4,930,687
Land Improvements	-	4,374,683	4,374,683
Buildings	-	72,698,943	72,698,943
Furniture and Equipment	<u>33,080</u>	<u>2,802,726</u>	<u>2,835,806</u>
	3,079,097	81,761,022	84,840,119
Less: Accumulated Depreciation	30,166	16,161,012	16,191,178
Right of use asset - land lease	-	353,647	353,647
Construction in Progress	<u>121,653</u>	<u>11,906,943</u>	<u>12,028,596</u>
Total PP&E, net	<u>\$ 3,170,584</u>	<u>\$ 77,860,600</u>	<u>\$ 81,031,184</u>

NOTE 6 - WORK IN PROGRESS - PROJECT INVESTMENT AND SUBSEQUENT EVENT

Hiland Plaza Apartments project

GAHP entered into a development agreement on December 30, 2020 with the City of Albuquerque to develop a Low-Income Housing Tax Credit property. The project is planned for construction of 91 low-income housing units and a non-revenue manager's unit. On April 1, 2022, GAHP withdrew as Limited Partner from the Partnership and a new Limited Partner was admitted. As of December 31, 2022, the construction cost incurred totaled \$12,506,943. The project completed and was placed-in-service in August 2023.

Farolito project

GAHP is planning to develop a Low-Income Housing Tax Credit property, Farolito. The proposed development is to build an 82-unit low-income rental development consisting of 1-bedroom and 2-bedroom units designed with features for seniors 55+ to age in place and targets deep affordability for a 35-year affordability period. As of December 31, 2022, GAHP has paid pre-development costs of \$78,999.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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NOTES TO FINANCIAL STATEMENTS

NOTE 7 - FAIR VALUE MEASUREMENT

The Organization's financial instruments consist of cash, accounts receivable and accounts payable. The recorded values of these instruments approximate their fair values based on their short-term nature.

In addition, the Organization, as defined in ASC 820-10, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Organization uses various methods including market, income and cost approaches. Based on these approaches, the Organization often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the Organization is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 – Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 – Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value of such assets or liabilities.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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NOTES TO FINANCIAL STATEMENTS

NOTE 8 - LONG-TERM DEBT

City of Albuquerque

In September 2010, GAHP entered into a Development Agreement with the City of Albuquerque (the "City"). The City provided a loan, secured by a mortgage, in an amount not to exceed \$1,000,000 to GAHP to assist in financing Plaza Feliz project. All services and obligations defined in Development Agreement shall commence upon the execution of the Development Agreement and be continued for 20 years from the completion of the construction of the Project ("Affordability Period"). The loan shall bear no interest and is secured by the Plaza Feliz project real estate. The loan shall be discharged at the end of the Affordability Period. As of December 31, 2022, the principal balance totaled \$1,000,000. The City further agreed to transfer a land valued at \$620,000 to GAHP to assist in project development. No balance shall become due as long as the project is a City Affordable Housing project for the Affordability Period. As of December 31, 2022, the payable related to land acquisition totaled \$620,000.

In October 2010, GAHP entered into a Development Agreement with the City. The City provided a loan, secured by a mortgage, in an amount not to exceed \$1,281,500 to GAHP to assist in the construction of a mixed use affordable housing development project - Phase I of the Indian School and Broadway Master Development Plan. All services and obligations defined in the Development Agreement shall commence upon the execution of the Development Agreement, and the project would have a mandatory minimum Affordability Period of 90 years, along with an Extended Affordability Period of an additional 90 years after the first Affordability Period. The loan shall be discharged at the end of the Affordability Period. The loan shall bear no interest and is secured by the Indian School and Broadway project real estate. As of December 31, 2022, the principal balance totaled \$1,180,694.

In December 2010, GAHP entered into a Development Agreement with the City. The City provided a loan, secured by a mortgage, in an amount not to exceed \$1,850,000 to GAHP to assist in financing Plaza Feliz project. All services and obligations defined in the Development Agreement shall commence upon the execution of the Development Agreement and be continued for 20 years from the completion of the construction of the project ("Affordability Period"). The loan shall be discharged at the end of the Affordability Period. The loan shall bear no interest and is secured by the Plaza Feliz project real estate. As of December 31, 2022, the principal balance totaled \$1,850,000.

In October 2012, GAHP entered into a development agreement with the City. The City provided a loan in an amount not to exceed \$1,300,000 to GAHP to assist in constructing Plaza Ciudadana project. All services or obligations defined in the Development Agreement shall commence upon the execution of the Development Agreement and be continued for 90 years from the completion of the construction of the project ("Affordability Period"), with a renewable Affordability Period of an additional 90 years after the first Affordability Period. The loan shall be discharged at the end of the Affordability Period. The loan shall bear no interest and is secured by the Plaza Ciudadana project real estate. As of December 31, 2022, the principal balance totaled \$1,300,000.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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NOTES TO FINANCIAL STATEMENTS

NOTE 8 - LONG-TERM DEBT - (CONTINUED)

In January 2014, GAHP entered into a Development Agreement with the City. The City provided a loan, secured by a mortgage, in an amount not to exceed \$2,416,000 to GAHP to assist in financing the Cuatro Apartments. All services and obligations defined in the Development Agreement shall commence upon the award of Low Income Housing Tax Credits by the Mortgage Finance Authority and be continued for 20 years from the completion of the construction of the Project ("Affordability Period"). The loan shall be discharged at the end of the Affordability Period. The loan shall bear no interest and is secured by the Cuatro Apartments project real estate. As of December 31, 2022, the principal balance totaled \$2,416,000.

In January 2015, GAHP entered into a Development Agreement with the City. The City provided a loan, secured by a mortgage, in an amount not to exceed \$2,800,000 to GAHP to assist in financing the Casa Feliz Project. The City then made the Second Supplemental Agreement and further agreed to provide additional funding of \$380,000 to GAHP. All services and obligations defined in the Development Agreement shall commence upon the award of Low Income Housing Tax Credits by the Mortgage Finance Authority and continue for 20 years from the completion of the construction of the Project. The loan shall be discharged at the end of the Affordability Period. The loan shall bear no interest and is secured by the Casa Feliz project real estate. As of December 31, 2022, the principal balance totaled \$3,180,800.

In April 2017, GAHP entered into a Development Agreement with the City. The City provided a loan in an amount not to exceed \$4,000,000 to GAHP to assist in developing Sterling Apartments. All services and obligations defined in the Development Agreement shall be commence upon the award of Low Income Housing Tax Credits by the Mortgage Finance Authority and continue through the mandatory minimum Affordability Period of 90 years after the completion of the project, with a renewable Affordability Period of an additional 90 years after the first Affordability Period. The loan shall bear no interest and is secured by the Sterling Apartments project real estate. As of December 31, 2022, the principal balance totaled \$4,000,000.

In April 2020, GAHP entered into a Development Agreement with the City. The City provided a loan in an amount not to exceed \$3,248,123 to GAHP to assist in financing Luminaria Senior Community project. All services and obligations defined in the Development Agreement shall be commence upon the award of Low Income Housing Tax Credits by the Mortgage Finance Authority and continue for 20-years from the completion of the construction of the Project. The loan shall bear no interest and is secured by the Luminaria Senior Community project real estate. The loan shall be discharged at the end of the Affordability Period. As of December 31, 2022, the principal balance totaled \$3,248,110.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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NOTES TO FINANCIAL STATEMENTS

NOTE 8 - LONG-TERM DEBT - (CONTINUED)

In December 2020, GAHP entered into a Development Agreement with the City. The City provided a loan in an amount not to exceed \$3,586,843 to GAHP to assist in financing Hiland Plaza Apartments project. All services and obligations defined in the Development Agreement shall commence upon the award of Low Income Housing Tax Credits by the Mortgage Finance Authority and continue for 20 years from the completion of the construction of the Project. The loan shall bear no interest and is secured by the Hiland Plaza project real estate. The loan shall be discharged at the end of the Affordability Period. As of December 31, 2022, the principal balance totaled \$3,228,158.

NOTE 9 - MORTGAGE NOTES PAYABLE

Plaza Feliz LP

New Mexico Mortgage Finance Authority Note

Interest rate on the note is six and twenty-one hundredths percent (6.21%) per annum. Monthly payments of principal and interest in the amount of \$6,221 began on December 1, 2012, until Note is paid in full. The currently scheduled final payment of principal and interest on the Note will be due November 1, 2052. The debt is secured by the mortgage on the property and the Assignment of Leases, Rents and Profits, and the security interest in the personal property. As of December 31, 2022, the note payable totaled \$1,013,759 excluding the net debt issuance cost of \$38,050, and the accrued interest on the loan totaled \$5,246. During 2022, interest charged and paid on the note totaled \$63,280.

Plaza Ciudadana LP

U.S. Bank National Association

The loan was payable in monthly installments of accrued interest only, commencing March 1, 2013, and on the same day of each month thereafter through and including August 1, 2014. The loan is payable in monthly installments of principal and interest (at 6.27 percent) of approximately \$4,400 each, subject to the terms of the Loan Agreement, commencing September 1, 2014, and on the same day of each month thereafter until the maturity date (August 2029), when the remaining unpaid principal balance plus accrued interest shall be due and payable in full. This note is secured by Plaza Ciudadana Limited Partnership, LLLP, located in Bernalillo County, New Mexico, plus certain other security documents. As of December 31, 2022, the note payable totaled \$618,032 excluding the net debt issuance cost of \$73,826, and the accrued interest on the loan totaled \$3,337. During 2022, interest charged and paid on the note totaled \$39,670.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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NOTES TO FINANCIAL STATEMENTS

NOTE 9 - MORTGAGE NOTES PAYABLE - (CONTINUED)

New Mexico Mortgage Finance Authority Housing Trust Fund Loan

New Mexico Mortgage Finance Authority Housing Trust Fund. Sum of the Note not to exceed \$1,000,000. At the inception, the interest rate is three percent (3.00%) per annum from the date of each draw request. The loan is made pursuant to a Loan Agreement and is secured by a Mortgage and Security Agreement on certain real property, the use of which is restricted by a Land Use Restriction Agreement. The loan will be disbursed from time to time based on construction progress. Interest to be paid on the first day of each month during the construction period not to exceed twenty-four (24) months from the date of closing, February 1, 2013. Thereafter the loan is an amortizing loan with a 360-month term. The Partnership will make 360 principal and interest payments at an interest rate of three percent (3.00%) beginning February 1, 2016, and on the first day of each month thereafter until maturity. The entire principal amount of the loan, plus all accrued and unpaid interest, will be due and payable in full on January 1, 2045. As of December 31, 2022, the note payable totaled \$204,054, and the accrued interest on the loan totaled \$510. During 2022, interest charged and paid on the note totaled \$6,210.

Sterling Apartments LP

CitiBank, N.A. Loan

On April 7, 2017, the Partnership entered into a Construction Funding Agreement with CitiBank, N.A. Pursuant to the Construction Funding Agreement, Bernalillo County, New Mexico, a county and political subdivision of the State of New Mexico ("Agency") has issued its Multifamily Housing Revenue Note, Series 2017 in an aggregate principal amount not to exceed \$8,600,000 (the "Note"). On April 7, 2017, the Agency entered into a Funding Loan Agreement with CitiBank, N.A., under which the proceeds of the Note will be made available to the Partnership to finance the acquisition, construction, development, equipping and/or operation of the Project. Effective May 13, 2019, \$3,100,000 of the Note was converted to permanent financing. The permanent note bears interest at 4.85 percent per annum. The note requires interest payments only during the construction term. Thereafter, equal monthly installments of principal and interest in the amount of \$15,350 are required until the maturity date on October 1, 2049. As of December 31, 2022, the permanent note payable totaled \$2,971,158 excluding the net debt issuance cost of \$99,049. The accrued interest on the loan totaled \$102,111. During 2022, interest charged and paid on the note totaled \$145,135.

New Mexico Mortgage Finance Authority Housing Trust Fund Loan

The note is payable to New Mexico Mortgage Finance Authority Housing Trust Fund in the original amount of \$1,000,000. The note bears interest at 3 percent per annum and matures on April 1, 2049. The use of the Project is restricted by a Land Use Restriction Agreement, which restricts the residential units to income-eligible tenants for at least 30 years. As of December 31, 2022, the note payable totaled \$462,053, and the accrued interest on the loan totaled \$1,158. During 2022, interest charged and paid on the note totaled \$14,045.

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NOTES TO FINANCIAL STATEMENTS

NOTE 9 - MORTGAGE NOTES PAYABLE - (CONTINUED)

Cuatro Apartments LP

New Mexico Mortgage Finance Authority Note

The Partnership has entered into a mortgage note with New Mexico Mortgage Finance Authority. The interest rate charged on the note is three percent (3.00%) per annum. Monthly principal payments in the amount of \$2,559 began on December 1, 2016, until Note is paid in full. The currently scheduled final payment of principal and interest on the Note will be due December 1, 2026. The debt is secured by the mortgage on the property and the Assignment of Leases, Rents and Profits, and the security interest in the personal property. As of December 31, 2022, the note payable totaled \$115,606, and the accrued interest on the loan totaled \$289. During 2022, interest charged and paid on the note totaled \$3,839.

Casa Feliz LP

Bank of Albuquerque Loan

On January 15, 2016, the Partnership entered into a Loan Agreement with BOKF, dba Bank of Albuquerque. The Loan Agreement provides for a loan up to \$6,010,979, consisting of Tranche A in the amount of \$600,000 and Tranche B in the amount of \$5,410,979. In accordance with the Loan Agreement, Tranche A was fully funded within 12 months from the date of the note. Tranche B is to be funded after the full advance of Tranche A. Tranche A bears interest at 5 percent per annum. Tranche B bears interest at the Adjusted LIBOR Rate, as defined as LIBOR plus 2 percent annum in the Loan Agreement. The note requires interest payments only during the construction term. Thereafter, beginning on January 15, 2018, equal monthly installments of principal and interest are required until the maturity date on January 15, 2033. As of December 31, 2017, Tranche B in the amount of \$5,404,286 was paid in full with proceeds from the third installment of the capital contribution. As of December 31, 2022, the note payable totaled \$456,376 excluding the net debt issuance cost of \$11,169. The accrued interest on the loan totaled \$1,966. During 2022, interest charged and paid on the note totaled \$24,591.

New Mexico Mortgage Finance Authority Housing Trust Fund Loan

The note is payable to New Mexico Mortgage Finance Authority Housing Trust Fund for the maximum amount of \$1,100,000. The note bears interest at 3 percent per annum, with interest payments only during the construction period not to exceed 24 months, by which date, the note must be paid down to \$500,000. Thereafter the note will be amortized with an interest rate of 3 percent per annum until the maturity date of February 1, 2033. The use of the Project is restricted by a Land Use Restriction Agreement, which restricts the residential units to income-eligible tenants for at least 30 years. During the year ended December 31, 2017, \$600,000 was paid with proceeds from the third installment of the capital contribution. As of December 31, 2022, the note payable totaled \$360,142. The accrued interest on the loan totaled \$901. During 2022, interest charged and paid on the note totaled \$11,222.

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NOTES TO FINANCIAL STATEMENTS

NOTE 9 - MORTGAGE NOTES PAYABLE - (CONTINUED)

Luminaria LP

Bank of Albuquerque Loan

On December 17, 2020, the Partnership entered into a Loan Agreement with BOKE, dba Bank of Albuquerque. The Loan Agreement provides for a loan up to \$10,177,656 consisting of Tranche A in the amount of \$3,800,000 and Tranche B in the amount of \$6,377,656. Tranche A bears interest at 4.4 percent per annum. Tranche B bears interest at the 3.25 percent annum. The note requires interest payments only during the construction term. In accordance with the Loan Agreement, Tranche A was fully funded within 12 months from the date of the note. Tranche B is to be funded after the full advance of Tranche A. The loan matures 17 years after the Closing Date. On the Maturity Date, the outstanding balance and all unpaid and accrued interest of the Note, and all other amounts then due by Borrower to Bank, shall be fully and finally due and payable on the Maturity Date. During 2022, loan under Tranche B was paid off. As of December 31, 2022, the loan payable totaled \$3,800,000 excluding the net debt issuance cost of \$96,632. The accrued interest payable on the loan totaled \$13,933. During 2022, interest capitalized totaled \$147,941 and interest expense totaled \$201,604.

Hiland Plaza LP

PNC Bank Loan

In April 2022, the Partnership entered into a Loan Agreement with PNC Bank in order to defray certain costs of constructing and equipping the Improvements and certain costs of the financing. The Loan Agreement provides for a loan up to \$13,550,000. In accordance with the Loan Agreement, the Lender has agreed to lock the interest rate on the Term Loan pursuant to the Rate Lock Agreement. According to the Rate Lock Agreement, the term note rate is 4.943% per annum and rate lock expiration date is October 25, 2024. GAHP is the guarantor of the loan. As of December 31, 2022, the loan payable totaled \$5,314,921. During 2022, interest capitalized totaled \$102,111, and the accrued interest payable on the loan totaled \$20,784.

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NOTES TO FINANCIAL STATEMENTS

NOTE 9 - MORTGAGE NOTES PAYABLE - (CONTINUED)

The outstanding mortgage notes consisted of the following as of December 31, 2022:

New Mexico Mortgage Finance Authority	\$ 2,155,614
U.S. Bank National Association	618,032
CitiBank, N.A	2,971,158
PNC Bank (construction loan)	5,314,921
BOKF, N.A dba Bank of Albuquerque	<u>4,256,376</u>
	15,316,101
Less: net of debt Issuance	<u>(318,726)</u>
Total Mortgage notes payable	14,997,375
City of Albuquerque long-term debt (Note 8)	<u>22,023,762</u>
Total long term debt	<u>\$ 37,021,137</u>

The following schedule outlines principal amounts due on the mortgage notes:

<u>Year</u>	<u>Amount</u>
2023	\$ 179,514
2024	5,502,308
2025	195,623
2026	204,270
2027	182,189
2028 - and later years	<u>31,075,959</u>
	<u>\$ 37,339,863</u>

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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NOTES TO FINANCIAL STATEMENTS

NOTE 10 - LOW-INCOME HOUSING TAX CREDITS

Each Limited Partnership's low-income housing tax credits are contingent on its ability to maintain compliance with applicable sections of Section 42 of the Internal Revenue Code. Failure to maintain compliance with occupant eligibility, unit gross rents, or to correct noncompliance within a specified time period with respect to the "low-income" units, could result in the recapture of previous taken tax credits, plus interest. As of December 31, 2022, the Organization appeared to be in compliance with IRC Section 42.

NOTE 11 - DEFERRED REVENUE

In prior years, GAHP encumbered four homebuyers with a third mortgage requiring each homebuyer to pay GAHP \$29,400 upon the subsequent sale of their homes. This action was taken to prevent buyers of certain homes sold at below market prices from reselling the homes at a quick profit, which was contrary to the goal of providing affordable housing to qualified individuals. The total amount of this deferred revenue was \$117,600.

NOTE 12 - RELATED PARTY TRANSACTIONS

During the course of operations, numerous transactions occur between GAHP and the controlled affiliates. The result is that certain amounts are owed to and from GAHP and the controlled affiliates. Inter-Organization receivables and payable, and revenues and expenses are eliminated in the Consolidated Financial Statements.

Plaza Feliz LLLP is liable to PNC Real Estate Tax Credit Capital Institutional Fund 45 Limited Partnership (PNC), a Limited Partner, the Investor Service Fee in an amount of \$6,652 as of December 31, 2022.

Cuatro Apartments LLLP and Plaza Ciudadana Apartments LLLP are liable to U.S. Bancorp Community Development Corporation, a Limited Partner, the Asset Management Fee in the amount of \$6,652 and \$7,480 respectively, as of December 31, 2022.

Luminaria Apartments LLLP and Plaza Ciudadana Apartments LLLP are liable to Raymond James Tax Credit Funds, Inc., a Limited Partner, the Asset Management Fee in the amount of \$2,500. as of December 31, 2022.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

The Organization is required to comply with Internal Revenue Code Section 42 regulations related to its low-income housing developments. The Organization is also required to comply with loan and grant provisions with federal, state, and local governments. Failure to meet certain tests related to these regulations could result in the return of low-income tax credits, the return of loan or grant proceeds, and could result in the revocation of GAHP's 501(c)(3) tax exempt status.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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NOTES TO FINANCIAL STATEMENTS

NOTE 13 - COMMITMENTS AND CONTINGENCIES - (CONTINUED)

Certain grants received in prior years require fulfillment of certain conditions as set forth in grant agreements and may be subject to audit. Failure to fulfill the conditions could result in the return of funds to grantors. Management does not expect to return any significant grant funds from prior years due to not fulfilling grant conditions.

NOTE 14 - OPERATING LEASES AND SUBSEQUENT EVENT

GAHP has executed operating leases for the rental of an office facility and equipment. Current year rental expense was approximately \$21,841. The lease was originally ended in 2023. On January 20, 2023 GAHP extended the lease period to 2026. Future minimum rental obligation under these leases is \$19,530, \$20,160 and \$20,790 for 2023, 2024 and 2025, respectively.

NOTE 15 - LAND LEASE

On January 9, 2020, Luminaria Apartments LLLP (Lessee) entered into a land lease agreement (the "Business Lease") with State of New Mexico Commissioner of Public Land (Lessor) to lease the land on which the Project is developed. The Lease Agreement is for 40 years and the Partnership may renew the lease for up to four additional consecutive periods of five years each. Luminaria Apartments LLLP paid \$107,026 to New Mexico State Land Office in cost related to the development of the land, which will be credited over a 15 year period starting from year 3. In February 2020 and November 2020, Luminaria Apartments LLLP entered into the First Amendment and the Second Amendment to the Business Lease with the Lessor. Per the Second Amendment, the Lessee desires to exercise the option to extend the term of the Lease for four additional consecutive five year periods and the Lessor and Lessee have agreed on a fair market value rent for such extended term. The development cost shall be amortized in equal monthly installments over 40 years and shall be presented part of land lease expense. The rent shall be paid as follows:

Years 1 and 2	No less than \$5,000 (the Lessor billed \$14,900 for each of the years)
Years 3 through 5	No less than \$25,000 per year less 1/15 of the Development Credit*.
Years 6 through 8	No less than \$25,625 per year less 1/15 of the Development Credit*.
Years 9 through 11	No less than \$26,266 per year less 1/15 of the Development Credit*.
Years 12 through 14	No less than \$26,923 per year less 1/15 of the Development Credit*.
Years 15 through 17	No less than \$27,596 per year less 1/15 of the Development Credit*.
Years 18 through 38	Rent shall increase by 2.5% every 3 years.
Years 39 through 40	Rent shall increase by 2.5%.
Years 39 through 40	Rent shall increase by 2.5%.

* Development Credit is the value of removal of existing development to the land and reimbursement of demolition costs incurred by the Luminaria Apartments LLLP. The Development Credit shall be set by the Lessor's reasonable discretion consistent with State Land Office Rules and Regulations.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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NOTES TO FINANCIAL STATEMENTS

NOTE 15 - LAND LEASE - (CONTINUED)

The Second Amendment to the Business Lease further states that within 60 days of the end of Year 39, Lessor, at Lessee's expense, shall cause an appraisal of the Land to be performed by a New Mexico appraiser holding a General State Certification to be approved by the Lessor. The new Rent Level for Year 41 through 43 shall be the lesser of: (i) the rental value of the Land as determined by the Appraisal or (ii) \$34,463 ("Year 41 through 43 Rent") and the Rent for the remaining term of the Lease shall be as follows:

Years 41 through 43	Year 41 through 43 Rent
Years 44 through 46	1.025 x Year 41 through 43 Rent
Years 47 through 49	1.025 x Year 41 through 43 Rent
Years 50 through 52	1.025 x Year 41 through 43 Rent
Years 53 through 55	1.025 x Year 41 through 43 Rent
Years 56 through 58	1.025 x Year 41 through 43 Rent
Years 59 through 60	1.025 x Year 41 through 43 Rent

Based on the terms of the lease agreement and the determination that the right of use asset of \$465,227 exceeds the fair value of the land, the lease is classified as a financing lease. The right of use asset is land which is not depreciated as it has infinite useful life. As of December 31, 2022, financing lease liability totaled \$359,966. During 2022, the Partnership recognized interest expense associated with the financing lease in the amount of \$21,219.

NOTE 16 - PENSION PLAN

GAHP provides an IRC 403(b) Tax Sheltered Annuity Plan for eligible employees. Eligible employees may make voluntary contributions to their plan account. GAHP contributes 15% of employee compensation to the plan, regardless of employee contributions. During 2022, \$112,053 in employer contributions were made.

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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NOTES TO FINANCIAL STATEMENTS

NOTE 17 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of December 31, 2022, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition to financial assets available to meet general expenditures over the next 12 months, the Organization anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted sources. The Organization's financial assets available within one year of the statement of financial position for general expenditure are as follows:

	December 31, <u>2022</u>
Cash and cash equivalents	\$ 6,346,992
Accounts and other receivables	<u>476,813</u>
	<u>\$ 6,823,805</u>

ADDITIONAL INFORMATION

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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COMBINING SCHEDULE OF FINANCIAL POSITION

Year Ended December 31, 2022

	Greater Albuquerque Housing Partnership	Plaza Feliz Limited Partnership	Plaza Ciudadana Limited Partnership	Cuatro Apartments Limited Partnership	Casa Feliz Limited Partnership	Sterling Apartments Limited Partnership	Luminaria Apartments Limited Partnership	Hiland Apartments Limited Partnership	Combined Totals	Eliminations	Consolidated
ASSETS											
Current assets:											
Cash and cash equivalents	\$ 4,719,997	\$ 207,213	\$ 54,607	\$ 77,038	\$ 214,727	\$ 535,621	\$ 268,862	\$ 268,927	\$ 6,346,992	\$ -	\$ 6,346,992
Accounts receivable - tenants	-	17,016	9,681	105	8,783	5,342	1,753	-	42,680	-	42,680
Accounts receivable - related parties	2,715,129	-	-	-	-	-	-	-	2,715,129	(2,715,129)	-
Other receivables	432,919	-	-	-	1,214	-	-	-	434,133	-	434,133
Prepaid expenses	<u>-</u>	<u>14,158</u>	<u>-</u>	<u>-</u>	<u>9,364</u>	<u>20,507</u>	<u>-</u>	<u>-</u>	<u>44,029</u>	<u>-</u>	<u>44,029</u>
Total Current Assets	7,868,045	238,387	64,288	77,143	234,088	561,470	270,615	268,927	9,582,963	(2,715,129)	6,867,834
Restricted cash:											
Tenant security deposits	-	23,310	22,530	13,650	28,166	32,183	22,862	-	142,701	-	142,701
Mortgage escrow	-	13,974	196,101	29,688	-	17,763	-	-	257,526	-	257,526
Operating reserves	-	221,152	211,477	211,476	269,310	340,176	323,516	-	1,577,107	-	1,577,107
Replacement reserves	-	232,324	179,884	91,896	136,949	126,352	7,667	-	775,072	-	775,072
Endowment fund designated by Board	<u>49,674</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,674</u>	<u>-</u>	<u>49,674</u>
Total restricted cash	\$ 49,674	\$ 490,760	\$ 609,992	\$ 346,710	\$ 434,425	\$ 516,474	\$ 354,045	\$ -	\$ 2,802,080	\$ -	\$ 2,802,080

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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COMBINING SCHEDULE OF FINANCIAL POSITION - CONTINUED

Year Ended December 31, 2022

	Greater Albuquerque Housing Partnership	Plaza Feliz Limited Partnership	Plaza Ciudadana Limited Partnership	Cuatro Apartments Limited Partnership	Casa Feliz Limited Partnership	Sterling Apartments Limited Partnership	Luminaria Apartments Limited Partnership	Hiland Apartments Limited Partnership	Combined Totals	Eliminations	Consolidated
Property, building, equipment, land and Construction in progress:											
Property, building and equipment, at cost	\$ 33,080	\$ 10,987,994	\$ 12,598,920	\$ 12,192,244	\$ 16,207,610	\$ 13,679,035	\$ 17,171,077	\$ -	\$ 82,869,960	\$ (2,960,528)	\$ 79,909,432
Accumulated depreciation	<u>(30,166)</u>	<u>(3,586,835)</u>	<u>(3,260,510)</u>	<u>(2,100,061)</u>	<u>(4,363,448)</u>	<u>(2,548,949)</u>	<u>(301,209)</u>	<u>-</u>	<u>(16,191,178)</u>	<u>-</u>	<u>(16,191,178)</u>
Net property, building and equipment	2,914	7,401,159	9,338,410	10,092,183	11,844,162	11,130,086	16,869,868	-	66,678,782	(2,960,528)	63,718,254
Land	3,046,017	-	91,187	638,875	-	1,043,028	111,580	-	4,930,687	-	4,930,687
Right of use asset - land lease	-	-	-	-	52,000	-	353,647	95,000	500,647	(147,000)	353,647
Construction in progress	<u>121,653</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,506,943</u>	<u>12,628,596</u>	<u>(600,000)</u>	<u>12,028,596</u>
Total property, building, equipment, land and Construction in progress	3,170,584	7,401,159	9,429,597	10,731,058	11,896,162	12,173,114	17,335,095	12,601,943	84,738,712	(3,707,528)	81,031,184
Other assets:											
Notes receivable - Homebuyers	315,982	-	-	-	-	-	-	-	315,982	-	315,982
Notes receivable - related parties	19,595,776	-	-	-	-	-	-	-	19,595,776	(19,595,776)	-
Investment in limited partnership	(20,405)	-	-	-	-	-	-	-	(20,405)	20,405	-
Tax credit fees, net	-	20,574	38,647	45,566	55,743	15,257	84,601	-	260,388	-	260,388
Organization costs, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other assets	<u>19,891,353</u>	<u>20,574</u>	<u>38,647</u>	<u>45,566</u>	<u>55,743</u>	<u>15,257</u>	<u>84,601</u>	<u>-</u>	<u>20,151,741</u>	<u>(19,575,371)</u>	<u>576,370</u>
Total assets	<u>\$ 30,979,656</u>	<u>\$ 8,150,880</u>	<u>\$ 10,142,524</u>	<u>\$ 11,200,477</u>	<u>\$ 12,620,418</u>	<u>\$ 13,266,315</u>	<u>\$ 18,044,356</u>	<u>\$ 12,870,870</u>	<u>\$ 117,275,496</u>	<u>\$ (25,998,028)</u>	<u>\$ 91,277,468</u>

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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COMBINING SCHEDULE OF FINANCIAL POSITION - CONTINUED

Year Ended December 31, 2022

	Greater Albuquerque Housing Partnership	Plaza Feliz Limited Partnership	Plaza Ciudadana Limited Partnership	Cuatro Apartments Limited Partnership	Casa Feliz Limited Partnership	Sterling Apartments Limited Partnership	Luminaria Apartments Limited Partnership	Hiland Apartments Limited Partnership	Combined Totals	Eliminations	Consolidated
<u>LIABILITIES AND NET ASSETS</u>											
Current liabilities:											
Accounts payable	\$ 18,105	\$ 13,396	\$ 2,389	\$ 1,859	\$ 5,811	\$ 3,768	\$ 3,786	\$ 1,413,727	\$ 1,462,841	\$ -	\$ 1,462,841
Accrued expenses	-	13,048	8,450	5,500	304	4,123	3,124	-	34,549	-	34,549
Accrued partnership fees	-	28,827	-	-	58,072	104,591	12,500	250	204,240	(197,588)	6,652
Prepaid rents	-	26,883	35,084	70,970	57,682	81,996	19,732	-	292,347	-	292,347
Deferred revenue	117,600	-	-	-	-	-	-	-	117,600	-	117,600
Tenant security deposits	-	17,050	19,790	12,600	23,495	29,400	22,751	-	125,086	-	125,086
Accrued payroll taxes	19,898	1,967	1,694	1,688	3,575	2,061	2,368	-	33,251	-	33,251
Accrued interest payable	-	5,246	3,847	289	520,940	391,077	334,724	122,895	1,379,018	(1,319,886)	59,132
Deferred lease expense	9,000	-	-	-	-	-	-	-	9,000	(9,000)	-
Long-term debt - short term portion	-	11,980	21,113	27,616	66,106	52,699	-	-	179,514	-	179,514
Total current liabilities	164,603	118,397	92,367	120,522	735,985	669,715	398,985	1,536,872	3,837,446	(1,526,474)	2,310,972
Other liabilities:											
Advance from GP	-	-	-	-	-	-	-	268,853	268,853	(268,853)	-
Construction loan payable	-	-	-	-	-	-	-	5,314,921	5,314,921	-	5,314,921
Long-term debt, net of debt issuance costs	22,023,762	3,697,205	1,302,256	2,462,373	3,539,243	7,918,003	6,951,478	3,228,158	51,122,478	(19,595,776)	31,526,702
Deferred lease expense	138,000	-	-	-	-	-	359,966	-	497,966	(138,000)	359,966
Developer fee payable	-	-	-	-	-	39,333	506,700	382,770	928,803	(928,803)	-
Total Other liabilities	22,161,762	3,697,205	1,302,256	2,462,373	3,539,243	7,957,336	7,818,144	9,194,702	58,133,021	(20,931,432)	37,201,589
Total liabilities	\$ 22,326,365	\$ 3,815,602	\$ 1,394,623	\$ 2,582,895	\$ 4,275,228	\$ 8,627,051	\$ 8,217,129	\$ 10,731,574	\$ 61,970,467	\$ (22,457,906)	\$ 39,512,561

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
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COMBINING SCHEDULE OF FINANCIAL POSITION - CONTINUED

Year Ended December 31, 2022

	Greater Albuquerque Housing Partnership	Plaza Feliz Limited Partnership	Plaza Ciudadana Limited Partnership	Cuatro Apartments Limited Partnership	Casa Feliz Limited Partnership	Sterling Apartments Limied Partnership	Luminaria Apartments Limited Partnership	Hiland Apartments Limited Partnership	Combined Totals	Eliminations	Consolidated
Net assets:											
Net assets without donor restrictions	\$ 8,653,291	\$ 4,335,278	\$ 8,747,901	\$ 8,617,582	\$ 8,345,190	\$ 4,639,264	\$ 9,827,227	\$ 2,139,296	\$ 55,305,029	\$ (3,540,122)	\$ 51,764,907
Net assets with donor restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net assets	<u>8,653,291</u>	<u>4,335,278</u>	<u>8,747,901</u>	<u>8,617,582</u>	<u>8,345,190</u>	<u>4,639,264</u>	<u>9,827,227</u>	<u>2,139,296</u>	<u>55,305,029</u>	<u>(3,540,122)</u>	<u>51,764,907</u>
 Total liabilities and net assets	 <u>\$ 30,979,656</u>	 <u>\$ 8,150,880</u>	 <u>\$ 10,142,524</u>	 <u>\$ 11,200,477</u>	 <u>\$ 12,620,418</u>	 <u>\$ 13,266,315</u>	 <u>\$ 18,044,356</u>	 <u>\$ 12,870,870</u>	 <u>\$ 117,275,496</u>	 <u>\$ (25,998,028)</u>	 <u>\$ 91,277,468</u>

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

COMBINING SCHEDULE OF ACTIVITIES

Year Ended December 31, 2022

	Greater Albuquerque Housing Partnership	Plaza Feliz Limited Partnership	Plaza Ciudadana Limited Partnership	Cuatro Apartments Limited Partnership	Casa Feliz Limited Partnership	Sterling Apartments Limited Partnership	Luminaria Apartments Limited Partnership	Hiland Plaza Apartments Limited Partnership	Combined Totals	Eliminations	Consolidated
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS:											
Operating Revenues											
Rental income	\$ 9,100	\$ 586,631	\$ 595,858	\$ 388,944	\$ 696,207	\$ 838,380	\$ 515,930	\$ -	\$ 3,631,050	\$ (9,100)	\$ 3,621,950
Tenant services income	-	10,563	12,968	12,697	13,081	36,740	9,791	-	95,840	-	95,840
Grants	149,969	-	-	-	-	-	-	-	149,969	-	149,969
Development fees	1,500,000	-	-	-	-	-	-	-	1,500,000	-	1,500,000
Interest income	588,582	676	123	17	304	267	36	-	590,005	(588,582)	1,423
Sustainable tax credits	238,273	-	-	-	-	-	-	-	238,273	-	238,273
Other income	<u>534,503</u>	<u>15,630</u>	<u>6,628</u>	<u>-</u>	<u>10,809</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>567,570</u>	<u>(222,536)</u>	<u>345,034</u>
Total program revenue	3,020,427	613,500	615,577	401,658	720,401	875,387	525,757	-	6,772,707	(820,218)	5,952,489
Operating Expenses:											
Program	954,201	913,827	845,732	641,851	1,522,311	1,271,354	968,184	5,000	7,122,460	(819,968)	6,302,492
Supporting Service	<u>238,643</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>238,643</u>	<u>-</u>	<u>238,643</u>
Total operating Expenses	1,192,844	913,827	845,732	641,851	1,522,311	1,271,354	968,184	5,000	7,361,103	(819,968)	6,541,135
Change in net assets without donor restrictions	\$ 1,827,583	\$ (300,327)	\$ (230,155)	\$ (240,193)	\$ (801,910)	\$ (395,967)	\$ (442,427)	\$ (5,000)	\$ (588,396)	\$ (250)	\$ (588,646)

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

COMBINING SCHEDULE OF ACTIVITIES - CONTINUED

Year Ended December 31, 2022

	Greater Albuquerque Housing Partnership	Plaza Feliz Limited Partnership	Plaza Ciudadana Limited Partnership	Cuatro Apartments Limited Partnership	Casa Feliz Limited Partnership	Sterling Apartments Limited Partnership	Luminaria Apartments Limited Partnership	Hiland Plaza Apartments Limited Partnership	Combined Totals	Eliminations	Consolidated
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS:											
Beginning of year	\$ 6,825,708	\$ 4,661,459	\$ 8,978,056	\$ 8,857,775	\$ 9,147,100	\$ 5,035,231	\$ 3,093,294	\$ -	\$ 46,598,623	\$ (3,559,157)	\$ 43,039,466
Capital contributions:											
Greater Albuquerque Housing Partnership	-	-	-	-	-	-	-	100	100	(100)	-
Other limited partners in controlled partnerships	-	-	-	-	-	-	7,176,360	2,144,196	9,320,556	-	9,320,556
Total capital contributions	-	-	-	-	-	-	7,176,360	2,144,296	9,320,656	(100)	9,320,556
Capital distributions:											
Greater Albuquerque Housing Partnership	-	19,385	-	-	-	-	-	-	19,385	(19,385)	-
Other limited partners in controlled partnerships	-	6,469	-	-	-	-	-	-	6,469	-	6,469
Total capital distributions	-	25,854	-	-	-	-	-	-	25,854	(19,385)	6,469
End of year	<u>\$ 8,653,291</u>	<u>\$ 4,335,278</u>	<u>\$ 8,747,901</u>	<u>\$ 8,617,582</u>	<u>\$ 8,345,190</u>	<u>\$ 4,639,264</u>	<u>\$ 9,827,227</u>	<u>\$ 2,139,296</u>	<u>\$ 55,305,029</u>	<u>\$ (3,540,122)</u>	<u>\$ 51,764,907</u>

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

FINANCIAL STATEMENT SUPPORTING SCHEDULES

Year Ended December 31, 2022

	Greater Albuquerque Housing Partnership	Plaza Feliz Limited Partnership	Plaza Ciudadana Limited Partnership	Cuatro Apartments Limited Partnership	Casa Feliz Limited Partnership	Sterling Apartments Limited Partnership	Luminaria Apartments Limited Partnership	Hiland Apartments Limited Partnership	Combined Totals
Cash and Cash Equivalents									
Operating accounts	\$ 4,719,997	\$ 207,213	\$ 54,607	\$ 77,038	\$ 214,727	\$ 535,621	\$ 268,862	\$ 268,927	\$ 6,346,992
Restricted cash									
Tenant security deposits	-	23,310	22,530	13,650	28,166	32,183	22,862	-	142,701
Mortgage escrow	-	13,974	196,101	29,688	-	17,763	-	-	257,526
Operating reserves	-	221,152	211,477	211,476	269,310	340,176	323,516	-	1,577,107
Replacement reserves	-	232,324	179,884	91,896	136,949	126,352	7,667	-	775,072
	<u>\$ 4,719,997</u>	<u>\$ 697,973</u>	<u>\$ 664,599</u>	<u>\$ 423,748</u>	<u>\$ 649,152</u>	<u>\$ 1,052,095</u>	<u>\$ 622,907</u>	<u>\$ 268,927</u>	<u>\$ 9,099,398</u>
Tax Credit Fees									
Tax credit fee capitalized	\$ -	\$ 87,254	\$ 94,250	\$ 80,411	\$ 87,250	\$ 21,797	\$ 88,536	\$ -	\$ 459,498
Accumulated amortization	-	(66,680)	(55,603)	(34,845)	(31,507)	(6,540)	(3,935)	-	(199,110)
	<u>\$ -</u>	<u>\$ 20,574</u>	<u>\$ 38,647</u>	<u>\$ 45,566</u>	<u>\$ 55,743</u>	<u>\$ 15,257</u>	<u>\$ 84,601</u>	<u>\$ -</u>	<u>\$ 260,388</u>
Work in Progress, Project Investment									
Development Cost, Thaxton	\$ 42,654	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,654
Development Cost, Hiland	-	-	-	-	-	-	-	12,506,943	12,506,943
Development Cost, Farolito	78,999	-	-	-	-	-	-	-	78,999
	<u>\$ 121,653</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,506,943</u>	<u>\$ 12,628,596</u>

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

CONSOLIDATED SCHEDULE OF PROPERTY AND EQUIPMENT

Year Ended December 31, 2022

	Beginning of Year	Additions	Deletions	End of Year
GAHP				
Furniture and Equipment	\$ 33,080	\$ -	\$ -	\$ 33,080
Land	<u>3,046,017</u>	<u>-</u>	<u>-</u>	<u>3,046,017</u>
Total land, property and equipment	3,079,097	-	-	3,079,097
Less: Accumulated Depreciation	<u>(27,401)</u>	<u>(2,765)</u>	<u>-</u>	<u>(30,166)</u>
Total land, property and equipment, net	3,051,696	(2,765)	-	3,048,931
Plaza Feliz Limited Partnership				
Furniture and Equipment	291,444	-	-	291,444
Land Improvements	756,581	-	-	756,581
Buildings	<u>9,939,969</u>	<u>-</u>	<u>-</u>	<u>9,939,969</u>
Total land, property and equipment	10,987,994	-	-	10,987,994
Less: Accumulated Depreciation	<u>(3,285,873)</u>	<u>(300,962)</u>	<u>-</u>	<u>(3,586,835)</u>
Total land, property and equipment, net	7,702,121	(300,962)	-	7,401,159
Plaza Ciudadana Limited Partnership				
Furniture and Equipment	262,338	3,990	-	266,328
Land	91,187	-	-	91,187
Land Improvements	141,664	-	-	141,664
Buildings	<u>12,129,273</u>	<u>61,655</u>	<u>-</u>	<u>12,190,928</u>
Total land, property and equipment	12,624,462	65,645	-	12,690,107
Less: Accumulated Depreciation	<u>(2,912,001)</u>	<u>(348,509)</u>	<u>-</u>	<u>(3,260,510)</u>
Total land, property and equipment, net	12,624,462	(282,864)	-	9,429,597
Cuatro Apartments Limited Partnership				
Furniture and Equipment	156,457	6,763	-	163,220
Land and Land Improvements	644,127	5,394	-	649,521
Buildings	<u>12,018,378</u>	<u>-</u>	<u>-</u>	<u>12,018,378</u>
Total land, property and equipment	12,818,962	12,157	-	12,831,119
Less: Accumulated Depreciation	<u>(1,775,983)</u>	<u>(324,078)</u>	<u>-</u>	<u>(2,100,061)</u>
Total land, property and equipment, net	11,042,979	(311,921)	-	10,731,058
Casa Feliz Limited Partnership				
Furniture and Equipment	1,058,767	-	-	1,058,767
Land Improvements	2,299,861	-	-	2,299,861
Buildings	<u>12,848,982</u>	<u>-</u>	<u>-</u>	<u>12,848,982</u>
Total land, property and equipment	16,207,610	-	-	16,207,610
Less: Accumulated Depreciation	<u>(3,601,575)</u>	<u>(761,873)</u>	<u>-</u>	<u>(4,363,448)</u>
Total land, property and equipment, net	\$ 12,606,035	\$ (761,873)	\$ -	\$ 11,844,162

GREATER ALBUQUERQUE HOUSING PARTNERSHIP
(A Not-for-profit Corporation)

CONSOLIDATED SCHEDULE OF PROPERTY AND EQUIPMENT - (CONTINUED)

Year Ended December 31, 2022

	Beginning of Year	Additions	Deletions	End of Year
Sterling Apartments Limited Partnership				
Furniture and Equipment	\$ 283,348	\$ 9,851	\$ -	\$ 293,199
Land and Land Improvements	1,830,411	-	-	1,830,411
Right of use asset - land lease	-	52,000	-	52,000
Buildings	12,598,453	-	-	12,598,453
Total land, property and equipment	14,712,212	9,851	-	14,774,063
Less: Accumulated Depreciation	(1,981,902)	(567,047)	-	(2,548,949)
Total land, property and equipment, net	12,730,310	(557,196)	-	12,225,114
Luminaria Apartments Limited Partnership				
Furniture and Equipment	-	729,768	-	729,768
Land	136,826	(25,246)	-	111,580
Right of use asset - land lease	-	353,647	-	353,647
Buildings	-	16,441,309	-	16,441,309
Total land, property and equipment	136,826	17,499,478	-	17,636,304
Less: Accumulated Depreciation	-	(301,209)	-	(301,209)
Total land, property and equipment, net	136,826	17,198,269	-	17,335,095
Hiland Plaza Apartments Limited Partnership				
Right of use asset - land lease	-	95,000	-	95,000
Furniture and Equipment	-	-	-	-
Buildings	-	-	-	-
Total land, property and equipment	-	95,000	-	95,000
Less: Accumulated Depreciation	-	-	-	-
Total land, property and equipment, net	-	95,000	-	95,000
Total Consolidated Organization				
Total land, property and equipment	70,567,163	17,682,131	-	88,301,294
Elimination	(2,960,277)	(147,251)	-	(3,107,528)
Less: Accumulated Depreciation	(13,584,735)	(2,606,443)	-	(16,191,178)
Total land, property and equipment, net	<u>\$ 54,022,151</u>	<u>\$ 14,928,437</u>	<u>\$ -</u>	<u>\$ 69,002,588</u>

APPENDIX #10: Drug Free Workplace Requirement Certification Form

The agency certifies that it will provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the agency's workplace, and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing a drug-free awareness program to inform employees of:
 - a. The dangers of drug abuse in the workplace;
 - b. The agency's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
3. Making it a requirement that each employee to be engaged in the performance of an agreement with the City be given a copy of the agency's drug-free workplace statement.
4. Notifying each employer that as a condition of employment under the City's agreement, that employee will:
 - a. Abide by the terms of the agency's drug-free workplace statement, and
 - b. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace, no later than five (5) days after such conviction.
5. Notifying the City of Albuquerque, Department of Health, Housing and Homelessness within ten (10) days after receiving an employee notice or otherwise receiving actual notice of an employee drug statute conviction for a violation occurring in the workplace.
6. Taking one of the following actions within thirty (30) days of receiving notice of an employee's drug statute conviction for a violation occurring in the workplace:
 - a. Taking appropriate personnel action against such an employee, up to and including termination;
 - b. or requiring such employee to participate satisfactorily at a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement, or other appropriate agency; and
7. Making a good faith effort to continue to maintain a drug-free workplace through the implementation of the above requirements.
8. The agency also certifies that the agency's drug-free workplace requirements will apply to all locations where services are offered under the agreement with the City of Albuquerque.

Street Address: 320 Gold Ave NW, Ste 918 City: Albuquerque

State: NM Zip: 87102 E-mail: info@solhousing.org

Agency Name: Sol Housing fka Greater Albuquerque Housing Partnership

Typed Name of Authorized board Official: Felipe Rael

Title: Executive Director

Felipe Rael
Felipe Rael (Jun 6, 2024 16:51 MDT)

Signature of Authorized Board Official

06/06/2024

Date Signed

APPENDIX #11: Debarment, Suspension, Ineligibility and Exclusion Certification

I certify that the agency has not been debarred, suspended or otherwise found ineligible to receive funds by any agency of the executive branch of the federal government.

I further certify that should any notice of debarment, suspension, ineligibility or exclusion be received by the agency, the City of Albuquerque, Department of Health, Housing and Homelessness will be notified immediately.

Agency Name: Sol Housing fka Greater Albuquerque Housing Partnership

Agency Unique Entity ID (UEI): CW1GD8Z527D4 *(if applicable)*

Typed Name of Authorized Board Official: Felipe Rael

Title: Executive Director

Signature: Felipe Rael Felipe Rael / Jun 6, 2024 16:51 MDT Date: 06/06/2024

APPENDIX #12: Certification of Receipt of Administrative Requirements

The undersigned HEREBY CERTIFY THAT:

1. The agency/organization has received and reviewed a copy of the *Administrative Requirements for Administrative Requirements for Social Services Contracts Awarded Under the City of Albuquerque*, as may be revised from time to time, current version effective July 1, 2023; and
2. The agency/organization named below will adhere to these *Administrative Requirements* in its operation of City-funded programs; and
3. The *Administrative Requirements* are shared and accessible to all relevant staff.

Agency/Organization Name: Sol Housing fka Greater Albuquerque Housing Partnership

Tessah Latson

Typed Name of Authorized Board Official


Tessah Latson (Jun 6, 2024 16:48 MDT)

Signature

Date: 06/06/2024

Felipe Rael

Typed Name of Executive Director


Felipe Rael (Jun 6, 2024 16:51 MDT)

Signature

Date: 06/06/2024

APPENDIX #13: Certification of Compliance with Federal Funding Requirements

The undersigned HEREBY GIVE ASSURANCE THAT:

If the percentage of federal funds that makes up the total program or project costs is greater than 0%, the Applicant agency named below will specifically comply and act in accordance with all applicable federal law governing programs receiving federal funds, including but not necessarily limited to:

1. Age Discrimination Act of 1975, prohibiting discrimination on the basis of age. 45 CFR Part 91.
2. Civil Rights Act of 1964 (Title VI), providing that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination. 45 CFR Part 80.
3. Education Amendments of 1972 (Title IX of the Education Amendments of 1972, 20 U.S.C. 1681, 1682, 1683, 1685, and 1686), providing that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity. 45 CFR Part 86.
4. Rehabilitation Act of 1973 (Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794, as amended, providing that no otherwise qualified handicapped individual in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination.
5. USA Patriot Act (amending 18 U.S.C. 175-175c), prescribing criminal penalties for possession of any biological agent, toxin, or delivery system of a type or in a quantity that is not reasonably justified by a prophylactic, protective, bona fide research, or other peaceful purpose. The act also establishes restrictions on access to specified materials. “Restricted persons,” as defined by the act, may not possess, ship, transport, or receive any biological agent or toxin that is listed as a select agent.
6. Public Health Security and Bioterrorism Preparedness and Response Act, provides protection against misuse of select agents and toxins, whether inadvertent or the result of terrorist acts against the US homeland, or other criminal act. 42 U.S.C. 262a; 42 CFR Part 73.
7. Controlled Substances Act provides that grantees are prohibited from knowingly using appropriated funds to support activities that promote the legalization of any drug or other substance included in Schedule I of the schedule of controlled substances established by Section 202 of the Controlled Substances Act, 21 U.S.C. 812. This limitation does not apply if the recipient notifies the GMO that there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage.
8. Limited English Proficiency. Recipients of federal financial assistance must take reasonable steps to ensure that people with limited English proficiency have meaningful access to health and social services and that there is effective communication between the service provider and individuals with limited English proficiency. Title VI of the Civil Rights Act of 1964.
9. Construction-Related Requirements
 - a. Architectural Barriers Act of 1968 (as amended 42 U.S.C. 4151 et seq.) sets forth requirements to make facilities accessible to, and usable by, the physically handicapped

- and include minimum design standards. All new facilities designed or constructed with HHS grant support must comply with these requirements. 41 CFR 102-76; 36 CFR 1191.
- b. Clean Air and Clean Water Act provides for the protection and enhancement of the quality of the nation's air resources to promote public health and welfare and for restoring and maintaining the chemical, physical, and biological integrity of the nation's waters. 42 U.S.C. 7606 and EO 11738.
 - c. Safe Drinking Water Act provides for the protection of underground sources of drinking water that have an aquifer, which is the sole source of drinking water. No grant may be entered into for any project that the EPA Administrator determines may contaminate such aquifer.
10. Health, Safety, and Related Requirements
- a. HHS funds may not be spent for an abortion.
 - b. Funds appropriated for HHS may not be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.
 - c. Standards for Privacy of Individually Identifiable Health Information (the Privacy Rule) implements the Health Insurance Portability and Accountability Act (HIPAA) of 1996, 42 U.S.C. 1320d et seq., which governs the protection of individually identifiable health information. The Privacy Rule is administered and enforced by HHS's OCR and is codified at 45 CFR Parts 160 and 164. The Privacy Rule applies only to covered entities.
 - d. Confidentiality of Patient/Client Records. Section 543 of the PHS Act, 42 U.S.C. 290dd-2, requires that records of substance abuse patients be kept confidential except under specified circumstances and purposes. The covered records are those that include the identity, diagnosis, prognosis, or treatment of any patient maintained in connection with any program or activity relating to substance abuse education, prevention, training, treatment, rehabilitation, or research that is conducted, regulated or directly or indirectly assisted by any department or agency of the United States. 42 CFR Part 2.
 - e. Drug Free Workplace Act of 1988, requires that all organizations receiving grants from any federal agency agree to maintain a drug free workplace. The recipient must notify the awarding office if any employee of the recipient is convicted of violating a criminal drug statute. 42 U.S.C. 701 et seq.; 45 CFR Part 82.
 - f. Pro-Children Act imposes restrictions on smoking in facilities where federally funded children's services are provided. The Act specifies that smoking is prohibited in any indoor facility (owned, leased, or contracted for) used for the routine or regular provision of kindergarten, elementary, or secondary education or library services to children under the age of 18. In addition, smoking is prohibited in any indoor facility or portion of a facility (owned, leased or contracted for) used for the routine or regular provision of federally funded health care, day care, or early childhood development. 20 U.S.C. 7183.

Agency Name Sol Housing fka Greater Albuquerque Housing Partnership

Typed Name of Authorized Board Official: Felipe Rael

Title: Executive Director

Signature: Felipe Rael
Felipe Rael (Jun 6, 2024 16:51 MDT)

Date: 06/06/2024

City of Albuquerque
Department of Health, Housing & Homelessness
APPENDIX #14: Vendor Preference Form

Vendor Preference Form and instructions are online at:
<https://www.cabq.gov/dfa/documents/vendor-documents/vendor-preference-affidavit-of-eligibility-final.pdf/view>

NOT APPLICABLE TO THIS RFP - NO PREFERENCES SHALL BE APPLIED IF FEDERAL FUNDS ARE USED.



Request for Supplier Information

Substitute Form

W9

Department of Finance and
Administrative Services

SECTION 1: CONTACT INFORMATION AND TAXPAYER IDENTIFICATION NUMBER

NAME (as shown on your income tax return). Name is required on this line; do not leave this line blank.

Sol Housing

BUSINESS NAME/ disregarded entity name, if different from above.

PRIMARY ADDRESS (number, street, and apt or suite no)

320 Gold Ave. SW #918

REMITTANCE ADDRESS (number, street, and apt or suite no)

320 Gold Ave. SW #918

CITY, STATE, and ZIP CODE

Albuquerque, NM 87102

REMITTANCE CITY, STATE, and ZIP CODE

Albuquerque, NM 87102

PHONE

505-244-1614

EMAIL ADDRESS

felipe@solhousing.org

SOCIAL SECURITY NUMBER

OR

EMPLOYER IDENTIFICATION NUMBER

New Mexico CRS TAX ID (if applicable)

□□□ - □□ - □□□□

85 - 0412352

□□ - □□□□□□ - □□ - □□

TAX CLASSIFICATION (check only one)

☐ INDIVIDUAL/SOLE PROPRIETOR or single-member LLC

☐ C CORPORATION

☐ S CORPORATION

☐ PARTNERSHIP

☐ TRUST/ESTATE

☐ LIMITED LIABILITY COMPANY-- Enter the tax classification (C=C Corporation, S=S Corporation, P=Partnership)

Note: For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single- member owner.

☒ 501(C)3/NON-PROFIT ORGANIZATION

☐ OTHER (SEE INSTRUCTIONS)

EXEMPTIONS (codes apply to certain entities, not individuals; see instructions)

EXEMPT PAYEE CODE (if any)

EXEMPTION FROM FATCA REPORTING CODE (if any)

SECTION 2: BUSINESS DEMOGRAPHICS (CHECK ALL THAT APPLY)

☒ **Local Business** - Headquartered and maintains its principal office and place of business within the Greater Albuquerque Metropolitan Area (City of Albuquerque or Bernalillo County).

☐ **Doing Business Locally** - Either not headquartered or does not maintain its principal office and place of business here, but maintains a storefront in the Greater Albuquerque Metropolitan Area and employs one or more City of Albuquerque or Bernalillo County residents.

☐ **Woman Owned Business** - At least 51% owned and controlled by one or more women, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more women.

☐ **Minority Business Enterprise (MBE) Owned** - At least 51% owned and controlled by one or more racial/ethnic minorities or, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more racial/ethnic minorities. Please specify the race/ethnicity of minority owners (question to the right).

☐ **LGBTQ+ Owned Business** - At least 51% owned and controlled by one or more LGBTQ+ individuals, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more LGBTQ+ individuals.

☐ **None of the Above Categories Apply**

If your business is MBE-owned, please specify the race/ethnicity of minority owner(s). Check all that apply:

☐ Hispanic American

☐ Native American

☐ Black or African American

☐ Asian-Indian American

☐ Asian-Pacific American

SECTION 3: PURCHASE ORDERS (COMPLETE ONLY IF YOU ACCEPT POs)

ELECTRONIC POs AND INVOICES (select one)

☐ Transcepta (preferred method)

☐ Email

PO CONTACT INFORMATION

FULL NAME

EMAIL ADDRESS

SECTION 4: CERTIFICATION

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined in the instructions); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN.

The Internal Revenue Service does not require your consent to any provision on this document other than the certifications required to avoid backup withholding.

SIGNATURE of U.S. person

Rita Gonzalez

DATE April 9, 2024

PRINT NAME

Rita Gonzalez

TITLE Controller

SUBMIT FORM

Pay Equity Reporting Form



City of Albuquerque
www.cabq.gov



Bernalillo County
www.berncogov



Water Authority
www.abcwua.org

Company Details

Company Name	Sol Housing	Mailing Address	320 Gold Ave. SW Suite 918 Albuquerque, NM 87102
Phone	505-244-1614		
Email Address	rita@solhousing.org	NM Employees?	yes

Job Category	No. Females	No. Males	Gap (Abs. %)
1.1 Exec/Senior Level Officials/Mgrs	0	1	N/A
1.2 First/Mid Level Officials/Mgrs	3	0	N/A
2 Professionals	1	1	30.43%
3 Technicians	0	0	N/A
4 Sales Workers	0	0	N/A
5 Office and Admin. Support	1	0	N/A
6 Craft Workers (Skilled)	1	1	19.97%
7 Operatives (Semi-Skilled)	0	0	N/A
8 Laborers (Unskilled)	0	0	N/A
9 Service Workers	0	0	N/A
Overall Total	6	3	25.20%

Total # of Females (all categories)	6	Total # of Males (all categories)	3
Total # Female Only Job Categories	2	Total # Male Only Job Categories	1
Total # Part Time Females	1	Total # Part Time Males	1
Female % Workforce	66.67%	Male % of Workforce	33.33%
Total # Employees	9	Total # Non-Binary Employees	0

Must be signed by a representative of the company. Signature certifies that all employees working in New Mexico are included, the data is for one year ending when the form is signed, and any challenges to your information may require you to get third party verification at your own expense.

<u>Rita Gonzalez. Controller</u>	<u><i>Rita Gonzalez</i></u>	<u>Jun 3, 2024</u>
Name and Title	Signature	Date Submitted

Following your submission, the system will calculate and certify your Overall Total Pay Gap. A copy of the Pay Equity Reporting Form will be emailed to you for inclusion with your bid or proposal. If the Overall Total Pay Gap on your form is 0%, you are eligible for a 5% preference. Please keep in mind that a completed Pay Equity Reporting Form must be submitted with all bids and proposals, regardless of the Overall Total Pay Gap. Please contact the contact person identified in the applicable Agency's solicitation documents with any questions about the Pay Equity Reporting Form.

APPENDIX #17: UEI Number and SAM Registration Acknowledgement

Organization Name: Sol Housing fka Greater Albuquerque Housing Partnership

Unique Entity Identifier Number: CW1GD8Z527D4

I, Felipe Rael, as representative of Sol Housing, hereby acknowledge that I have obtained the above UEI Number in association with the above-mentioned organization, and registered that UEI Number with the System for Award Management (SAM).

Felipe Rael *Felipe Rael*
Felipe Rael (Jun 6, 2024 16:51 MDT)

Name

Executive Director

Title, as Authorized Representative of

Sol Housing

Organization





CITY OF ALBUQUERQUE

[Council Home](#)[Legislation](#)[Calendar](#)[Boards and Commissions](#)[Details](#)[Reports](#)**File #:** EC-23-379**Type:** Executive Communication**Status:** Approved**File created:** 10/16/2023**In control:** [City Council](#)**Final action:** 11/8/2023**Enactment date:** **Enactment #:****Title:** Approval of the Farolito Senior Community Development Agreement with Greater Albuquerque Housing Partnership to Utilize HUD HOME Funds Towards the New Construction of a Senior Rental Housing Project**Attachments:** 1. [EC-379](#)[History \(3\)](#)[Text](#)[3 records](#) [Group](#) [Export](#)

Date	Action By	Action	Result	Action Details
11/8/2023	City Council	Approved	Pass	Action details
10/16/2023	City Council	Received		Action details
10/16/2023	President	To be heard at the Council Meeting		Action details

DEVELOPMENT AGREEMENT

By and between the **City of Albuquerque**, Albuquerque, New Mexico, a municipal corporation,
and

Developer,
Greater Albuquerque Housing Partnership, a New Mexico non-profit corporation, 320 Gold
Avenue SW, Suite 918, Albuquerque, NM 87102

Date Executed: _____

FAROLITO SENIOR COMMUNITY

10501 Central Avenue NE

**Parcel A as shown on the Boundary Survey of Tract C, Video Addition and Parcels of
Land Owned by the State of New Mexico Situated Within the NW1/4 NW1/4 Sec.28,T10N,
R4E, NMPM, April 2016, recorded with the County Clerk of Bernalillo County on
February 12, 2020 as Doc. No. 2020013489, containing 2.2856 acres, more or less.**

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DEVELOPMENT AGREEMENT

HOME Investment Partnerships Program (HOME) Grant Agreement

THIS AGREEMENT is entered into upon the final date of signature below, by and between the **City of Albuquerque**, New Mexico, a municipal corporation (hereinafter “City”) and **The Greater Albuquerque Housing Partnership**, a New Mexico non-profit corporation, 320 Gold Avenue SW, Suite 918, Albuquerque, NM 87102, and/or assigns (hereinafter “Developer”). City and Developer are sometimes hereinafter referred to collectively as “the Parties” and individually as “a Party.”

RECITALS

WHEREAS, the City, under the Federal National Affordable Housing Act of 1990/HOME Investment Partnerships Program (the “Act”), with HOME Grant Assistance Listing No. 14.239, and under its powers as a home rule city, is authorized to acquire, construct, improve, rehabilitate and conserve residential facilities intended for use as a place of residence for the intended occupants; and

WHEREAS, under the Act, a project may include acquiring, improving, constructing, rehabilitating and conserving land, buildings and improvements located within the City of Albuquerque; and

WHEREAS, the City has determined by Resolution adopted September 21, 1992, Enactment No. 134-1994, that a serious shortage of decent, safe, sanitary and affordable residential housing exists in the City of Albuquerque; and

WHEREAS, funding for the Project, described in Section 2.3 of this Agreement, was provided in the City’s 2022 Action Plan, approved by City Council on May 2, 2022, by Resolution R-22-23, and

WHEREAS, the Developer represents that it has the necessary construction and management expertise to develop and manage the Project; and

WHEREAS, the Developer has been evaluated and meets the requirements of a Community Housing Development Organization (CHDO) at the time of the award.

NOW THEREFORE, and in consideration of the premises and the mutual covenants hereinafter set forth, the Parties formally covenant and agree as follows:

ARTICLE I **Definitions**

Section 1.1. The Definitions in the *Administrative Requirements for Social Service Contracts Awarded Under the City of Albuquerque*, as they exist at the time of the execution of this Agreement or as amended during the term of this Agreement are adopted by reference and incorporated herein as though set forth in full in this section.

Section 1.2. Capitalized terms shall have the meaning assigned to them in this Agreement. If not otherwise defined in this Agreement, capitalized terms shall retain their customary meaning.

Section 1.3. The additional definitions as shown in Exhibit A, except where the context indicates otherwise, shall have the respective meanings set forth in Exhibit A.

ARTICLE II

Project Purpose and Description

Section 2.1. Purpose of Project. The purpose of the Project is to construct eighty-two (82) units of mixed-income rental housing for seniors located at 10501 Central NE, of which all are affordable units designated for persons who are at or below 80% Area Median Income (AMI), with specific set-asides for households at or below 60% AMI, 50% AMI, and 30% AMI, as further described in Section 2.3, below.

Section 2.2. Project Term. The development of the Project and the provision of the Affordable Housing Units (as defined below) by the Developer are to commence dependent upon the award of Low Income Housing Tax Credits by the Mortgage Finance Authority to the Developer and shall be undertaken and completed in such sequence as to assure their expeditious completion in light of the purposes of this Agreement, but in any event, the Project and all of the services required hereunder in connection with the Project, shall be continued for twenty (20) years from the City's Date of Project Completion in the HUD Integrated Disbursement and Information System (IDIS), and shall be referred to as the "HOME Affordability Period." **The Project contains twenty-two (22) HOME-assisted units (17 High-HOME and 5 Low-HOME), as stipulated in the Restrictive Real Estate Covenants, which shall abide by the High-HOME and Low-HOME rents for the entire 20-year HOME Affordability Period.**

Section 2.3. Project Description. The Project, named **Farolito Senior Community**, will be located at 10501 Central Avenue NE, as legally described in Exhibit B (hereinafter referred to as the "Real Property"). The Project shall consist of the construction and management of the four-story, multi-family building, including common space, landscaping, access, parking lots and grounds located on the aforementioned Real Property. The Project includes the construction of 82 residential units for seniors age 55 and older on land owned by the New Mexico State Land Office, which will be leased by the Development Entity (as defined herein) for a minimum term of 60 years. The development will contain seventy-two (72) 1-bedroom and ten (10) 2-bedroom rental housing units, and common space totaling approximately 76,675 heated square feet. Of the 82 units, 13 units shall be for households at or below 80% AMI, 28 units shall be for households at or below 60% of AMI, 16 units shall be for households at or below 50% AMI, and 25 units shall be for households at or below 30% AMI. The Project shall remain an affordable rental housing

project, abiding by the High-HOME and Low-HOME rents for the 20-year HOME Affordability Period, as more fully provided elsewhere in this Agreement.

Section 2.4. Development Single Purpose Entity. The Developer intends to form a single purpose entity ("Development Entity") and plans to use federal low income housing tax credits to partially fund the development of the Project. The Development Entity will develop, own, and operate the Project on the leased Real Property. Following the formation of the Development Entity, which will likely be a New Mexico limited liability limited partnership, the rights and obligations under this Agreement shall be assigned by the Developer to the Development Entity. An affiliate of the Developer will serve as the general partner of the Development Entity and a third party investor will serve as limited partner of the Development Entity.

Section 2.5. Management of Property. Developer shall manage Farolito Senior Community through a property management agreement with a professional property management company that has been approved by the City in writing. Monarch Properties, Inc. has been selected by the Developer as the property management company for Farolito Senior Community, and this selection is approved by the City. Any changes of property management company must also be approved in writing by the City.

ARTICLE III

Funds Committed to the Project

Section 3.1. Description of City Grant

A. The City shall provide a grant (the "City Grant") to the Developer to assist in the Project financing, in an amount not to exceed **Four Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$4,187,152.00)**, from the U.S. Department of Housing and Urban Development HOME Investment Partnerships (HOME) funds, which includes HOME Community Housing Development Organization (CHDO) Set Aside funding in the amount of Three Hundred Thirty-Seven Thousand, Sixty-Seven Dollars and Twenty-Five Cents (\$337,067.25). The City Grant shall be forgiven at the end of the HOME Affordability Period if all conditions and requirements of this Development Agreement and related obligations are met.

B. At the closing of the City Grant (the "Closing," as defined in Exhibit A hereto), the Developer will loan the City Grant funds to the Development Entity, which loan will be evidenced by a Promissory Note (the "City HOME Note") in a form agreed upon prior to closing and secured by a Mortgage (the "City HOME Mortgage") in a form agreed upon prior to closing. The City HOME Note and City HOME Mortgage will be collaterally assigned to the City as security for the payment of the City Grant. The Developer and the Development Entity shall also sign at Closing, the Restrictive Real Estate Covenants in a form substantially similar to Exhibit I as attached hereto. The Closing shall occur on or before December 31, 2023 unless extended by the parties.

Section 3.2. Project Budget. The proposed Project Budget is attached as Exhibit E. If Pre-Development land acquisition or land donation are part of this Project but were funded separately,

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the Schedules shown in Exhibit E shall be completed for those activities and shall be incorporated into the Project Budget shown in Exhibit E. The proposed Project Budget shall be subject to change or amendment from time to time, subject to prior written approval of the Authorized City Representative. The Authorized City Representative shall not unreasonably withhold such approval if (a) the combined amount of all sources of funds available remains sufficient to pay all anticipated costs of the Project, (b) the proposed amendment to the Project Budget does not adversely affect Developer's ability to complete the Project pursuant to this Agreement, (c) Developer promptly provides written notice of any such proposed amendment to the City, and (d) the proposed amendment does not reflect a material change to the Plans, Specifications and Elevations.

Section 3.3. Schedule of Grants. Attached hereto as Exhibit F and incorporated herein as though set forth in full in this paragraph is the schedule of grants from the City to be paid, and the terms thereof.

Section 3.4. Other Loans, Grants, and Subsidies. Other loans, grants, and subsidies, if applicable, are listed on the attached Exhibit E and incorporated herein as though set forth in full in this paragraph. Other than as set forth on Exhibit E, the Developer shall not encumber the Project without the City's consent.

Section 3.5. Tax Credits. The estimated amount of federal low income housing tax credits are listed on the attached Exhibit E and incorporated herein as though set forth in full in this paragraph. Should the Developer not receive an award of low-income housing tax credits from the New Mexico Mortgage Finance Authority ("MFA") by December 31, 2023, the City Grant funds designated in this Agreement may be undesignated and available for other affordable housing projects, as determined by the City. The Developer shall immediately notify the City of such failure within ten (10) business days of Developer's notification of such failure from the MFA. Failure to notify the City of the Developer's failure to receive an award of low-income housing tax credits is a material Event of Default.

Section 3.6. Request for Disbursement of Funds. The Developer may not request disbursement of funds under the Agreement until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed. 24 CFR § 92.504(c)(3)(viii).

Section 3.7. Fees. The Developer shall not charge fees that are not customarily charged in rental housing. 24 CFR § 92.504(c)(3)(xi).

ARTICLE IV

Commencement and Completion of the Project

Section 4.1. Agreement to Construct and Complete the Project.

A. Developer shall construct the project in accordance with the Plans, Specifications and Elevations prepared by Developer, including any and all supplements, amendments and additions or deletions thereon or therein, as approved by the City in writing.

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HOME \$4,187,152 Grant
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B. Developer shall construct the Project with all reasonable dispatch and according to the Development Schedule attached as Exhibit G. An updated Development Schedule shall be provided within sixty (60) days after execution of the Agreement and shall be provided as part of the subsequent quarterly reports. Failure to meet the Development Schedule after notice and cure under Article XI is a material Event of Default of this Agreement.

C. Developer shall have sole responsibility for construction of the Project and shall perform the responsibilities itself or through affiliates, agents, contractors, subcontractors or others selected by it in whatever lawful manner Developer deems necessary or advisable, provided such manner is in conformance with all applicable funding sources. Developer shall procure from the appropriate state, county, municipal and other authorities and corporations appropriate building permits and certificates of occupancy, connection arrangements for the supply of gas, water, electricity and other utilities and discharge of sewage and industrial waste disposal for the operation of the Project.

Section 4.2. Establishment of Completion Date.

A. The Developer shall complete the construction of the Project no later than September 30, 2025 ("Completion Date"). Failure to complete the construction by the Completion Date after notice and cure under Article XI, is a material Event of Default of this Agreement.

B. The Completion Date shall be evidenced to the City by (i) final inspection approval by the City of Albuquerque Building Safety Division of all building permits that lead to the completion of the Plans, Specifications and Elevations; (ii) if applicable, a letter of completion and acceptance by the City accepting public infrastructure required to be constructed; (iii) release of liens by contractors, subcontractors and suppliers employed in the project; and (iv) Certificate of Occupancy issued by the City. Such documents shall be delivered to the City promptly after completion of the Project but not later than thirty (30) days after receipt by the Developer, unless an extension of such date has been agreed to in writing by the parties to this Agreement. Notwithstanding the foregoing, such certificates shall state that they are given without prejudice to any rights of the City against any third party, existing at the date of such documents or which may subsequently come into being.

C. At all times during the construction phase, the City may conduct inspections of the Project during normal business hours after giving reasonable notice to Developer. Notwithstanding the above, within five (5) days after substantial completion of each building, Developer shall arrange for a Project walk through with the Developer's Authorized Representative, City's Authorized Representative, Construction Contractor and Independent Architect/Engineer to prepare the Project punch list on a unit by unit basis as well as common areas. Developer shall cause each item on the punch list to be remedied no later than thirty (30) days after issuance of the punch list or prior to rental of the apartment unit to the original renter, whichever occurs first.

Section 4.3. Developer to Pursue Remedies against Contractor and Subcontractors and their Sureties. In the event of default by any contractor or subcontractor under any contract made in connection with the Project, Developer shall promptly proceed either separately or in conjunction

with others to exhaust any remedies against the contractor or subcontractor so in default and against each surety for the performance of such contractor or subcontractor. Developer may prosecute or defend any action or proceeding or take other action involving such contractor or subcontractor or surety or other guarantor or indemnitor which Developer deems reasonably necessary.

ARTICLE V
Conditions
Usage and Documentation of Loans or Grants

Section 5.1. Conditions Precedent to Disbursements of City Loans or City Grants Authorized Under this Agreement. The City and Developer agree that the Developer shall, at the Developer's expense, provide the following documents prior to the commencement of construction.

A. Phase I environmental site assessment.

B. ALTA survey of the Real Property.

C. Developer shall assist the City in complying with all applicable Environmental Review and historic preservation requirements of the U.S. Department of Housing and Urban Development and the State Historic Preservation Office of New Mexico, prior to expending any City HOME funding stipulated under this Agreement. This Agreement does not constitute a full commitment of funds or site approval, and the commitment of funds or site approval may occur only upon satisfactory completion of environmental review and receipt by the City of an approval of the request for release of funds and certification from the U.S. Department of Housing and Urban Development under 24 CFR Part 58. The provision of any funds to the Project is conditioned on the City's determination to proceed with, modify or cancel the Project based on the results of the environmental review.

D. Plans, Specifications and Elevations for the Project. Developer shall submit one complete set of the Design and Development Plans, Specifications and Elevations for the Project to the City. The City shall review and approve the proposed Construction Plans, Specifications and Elevations prior to the commencement of any construction work pursuant hereto. In a case of material change, the Authorized Developer Representative shall certify to the City that such revised Plans, Specifications and Elevations (not to be confused with plans for building permits) will not materially affect the purpose of the Project as set forth herein, provided that no such material change shall be made without the prior written consent of the City, which consent shall not be unreasonably withheld or delayed, as determined in the City's sound governmental judgment in compliance with all applicable laws and ordinances. Plans for building permits and other approvals must also be submitted to the appropriate City Departments.

E. Evidence of procurement of all contractors and subcontractors in compliance with 2 CFR Part 200, 24 CFR Part 92 and applicable City regulations.

F. Title Insurance Commitment and Title Insurance Policy.

G. Affirmative Marketing Plan. Developer shall provide to the City an updated affirmative marketing plan along with procedures in conformance with 24 CFR §92.351 and the Fair Housing Act.

H. Schedule of Material Events and Activities. Developer shall provide to the City a projected schedule of material events and activities from the date of acquisition of the Real Property through the stabilized occupancy of the Project by eligible families.

Section 5.2. Use of Grant Proceeds, Repayment, Discharge. The City Grant shall be an amount of no greater than **Four Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$4,187,152.00)**. The City Grant includes all City funds allocated through this Agreement for this Project and shall be used for the development and construction of the Project, and no other purpose.

Section 5.3. Disbursement of City Grant Proceeds Authorized under this Agreement. The City Grant, authorized under this Agreement in the amount of **Four Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$4,187,152.00)**, shall be disbursed to the Developer to pay actual costs incurred by the Development Entity for purposes authorized under this Agreement and per the projected Project budget attached hereto and incorporated herein as Exhibit E.

A. In addition to any other requirements herein, City Grant disbursement shall only be made in the event Developer meets the criteria set forth herein at Section 5.1 and upon the execution of this Agreement by both parties.

B. Developer agrees to provide the City with a Request for City Grant Disbursement, in a form acceptable to the City and substantially similar to Exhibit H, not less than ten (10) days prior to the distribution date.

C. Developer shall submit supporting invoices and documentation for costs actually incurred by and paid for by Developer. Construction costs must be certified by the Architect/Engineer.

Section 5.4. HOME CHDO Funds. The City Grant, authorized under this Agreement in the amount of Four Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$4,187,152.00) includes HOME CHDO Set Aside funds in the amount of **Three Hundred Thirty-Seven Thousand, Sixty-Seven Dollars and Twenty-Five Cents \$337,067.25**.

A. The Developer has been evaluated and meets the requirements of a CHDO as of the time of the award.

B. The Developer understands and agrees that it is subject to all HOME/CHDO requirements, including those described in 24 CFR §92.300, 24 CFR §92.301, and 24 CFR §92.303.

Section 5.4. Grant Documentation. Developer shall collaterally assign the City HOME Note to the City, and the City HOME Note shall be secured by City HOME Mortgage.

Section 5.5. Restrictive Real Estate Covenants. At Closing, Developer shall execute and deliver the Restrictive Real Estate Covenants to the City. To ensure the City's goals in regards to this Project, the City shall require the Restrictive Real Estate Covenants to be recorded at the Closing, which Restrictive Real Estate Covenants shall run with the land, binding upon the Developer, the Development Entity and their successors and assigns.

Section 5.6. Subordination and Release. Upon the City's approval of the Developer's financing arrangements, the City will subordinate the City HOME Mortgage to one or more mortgages for borrowed funds necessary to develop the Project by a Subordination of Mortgage, which form will be subject to negotiation and agreement between the City and the Developer's other lenders. However, the Restrictive Real Estate Covenants will not be subordinated and will continue to run with the land for the term of the Affordability Period.

ARTICLE VI

Warranties and Obligations

Section 6.1. Warranties and Obligations by the City. The City makes the following warranties as the basis for the undertakings on its part contained herein.

A. The City is a municipal corporation organized and existing under and pursuant to the laws of the State of New Mexico and is authorized by the Act to provide financing for, acquire, construct, own, lease, rehabilitate, improve, sell and otherwise assist projects for the purpose of providing adequate residential housing including residential housing for individuals and families of low and moderate income, which is at or below 80% AMI, by inducing private enterprise to locate, develop and expand such residential housing facilities in the City.

B. At Closing, the City shall file or cause to be filed the Restrictive Real Estate Covenants, Deed, City Mortgages and other title documents in the Office of the County Clerk of Bernalillo County.

Section 6.2. Warranties and Obligations by Developer. Developer makes the following warranties as the basis for the undertakings on its part herein contained.

A. Developer is a New Mexico non-profit corporation duly organized and validly existing as such under the laws of the State of New Mexico with authority to perform the transactions set forth herein, that it has the power to enter into this Agreement and by proper action it has duly authorized the execution and delivery of this Agreement.

B. 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 violate or will violate the terms of Developer's Articles of Incorporation or Bylaws, nor conflict with or result in a breach of any of the terms, conditions or provisions of any corporate

restriction or any agreement or any instrument to which Developer is now a party or by which it is bound, nor constitute or will constitute a default under any of the foregoing or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the Real Property or assets of Developer under the terms of any instrument or agreement.

C. There are no pending or threatened legal or administrative proceedings against Developer or affecting the Project which, if determined adversely, would have a material adverse effect on Developer or the Project.

D. The Restrictive Real Estate Covenants attached hereto as Exhibit I, will be binding on the Real Property and the Developer, its successors and assigns, who shall comply therewith.

E. During the HOME Affordability Period, the Developer, the Development Entity, and their successors and assigns, shall comply with the applicable provisions of the following:

1. Requirements of the Uniform Relocation and Real Property Acquisition Policies Act of 1970 (49 CFR Part 24) and Section 104(d) of the Housing and Community Development Act of 1974, as applicable.

2. Regulations of the Uniform Administrative Requirements as described in 24 CFR §92.505, as applicable.

3. Local housing code requirements, and to allow the City to inspect the Real Property upon demand at all reasonable times.

4. The affirmative marketing plan submitted to the City along with procedures in compliance with 24 CFR §92.351 and the Fair Housing Act.

5. Maintain accurate records which document and verify affirmative marketing efforts.

6. Adhere to all applicable federal, state and local laws, in particular, but not limited to, labor and employment laws regarding construction of public works, including but not limited to: 24 CFR Part 70, and 24 CFR §92.354 (Davis-Bacon Act); 24 CFR Part 5, Subpart A, and 24 CFR §92.350 (Excluded Parties); 24 CFR Part 135 (Section 3); 24 CFR Part 8, 24 CFR §92.504; and 24 CFR §100.205 (Accessibility for Disabled Persons).

7. Maintain the Project as an affordable rental housing project for the HOME Affordability Period.

8. Adhere to initial rents for assisted units (if applicable) set forth in the Restrictive Real Estate Covenants attached to this Agreement as Exhibit I. Any rent increases of the assisted units must be approved in writing by the City prior to implementation. If utilities are not included in the rent, an allowance must be made using the City's established Utility Allowance, as it may be amended from time to time.

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9. Maintain income verification of tenants and their family size residing in affordable units using 24 CFR §5.609 criteria. Income verification and family size documentation must be secured prior to occupancy of the affordable units, and thereafter verified and certified at least annually. Following occupancy, if an affordable unit's tenants' income exceeds 80% of the City's Median Income adjusted for family size, the tenant may remain in the unit; however, the tenant must pay the lesser of 30% of the adjusted monthly income for rent and utilities, or the market rent.

10. Use its best efforts to afford Minority and Women-Owned Business Enterprises (that is, businesses which are at least fifty-one percent owned and controlled by minority group members or women) the maximum practicable opportunity to participate in the performance of this Agreement, as applicable.

11. Execute annual leases, unless otherwise mutually agreed between tenant and owner and permissible under the federal, state and local laws regarding the funding for this Project, with tenants in the affordable units in compliance with 24 CFR §92.253.

F. The Developer shall establish a maintenance reserve fund for the Project in an amount not less than Two Hundred Fifty Dollars and No Cents (\$250.00) per unit per annum from the date of acceptance of the Certificate of Occupancy issued by the City of Albuquerque until all the terms of this Agreement are met and the HOME Affordability Period has expired. From time to time, the City may adjust the maintenance reserve amount to reflect current maintenance costs and will notify Developer in writing of any increase or decrease.

G. The Developer shall assure that the property manager for the facility participates in the Albuquerque Police Department's Crime Free Multi-Housing Program or such equivalent program as may be in existence, and obtains program certification within one year of execution of this Agreement and remains so certified thereafter during the term of this Agreement and until the HOME Affordability Period has expired. Failure to obtain the certifications, or revocation of the certification of the facility or the facility manager, after notice and cure under Section 11.1.B, shall constitute a material default of this Agreement.

H. None of the units in the Project shall at any time be utilized on a transient basis; and none of the Project or any portion thereof shall ever be used as a hotel, motel dormitory, fraternity house, sorority house, rooming house, nursing home, hospital, sanitarium, rest home or trailer court or park.

I. At all times during the term of this Agreement and until the HOME Affordability Period has expired, the Project shall comply in all material respects with all applicable zoning and planning ordinances, building codes, flood regulations, environmental laws, ordinances, statutes, rules and regulations relating to the Project.

J. The Developer shall not, during the term of this Agreement, amend or change its Bylaws or Articles of Incorporation in any manner if such amendment or change would result in a conflict with the terms of this Agreement.

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K. The Developer shall comply with the provisions of, and act in accordance with, all applicable federal laws, rules and regulations, and Executive Orders related to equal employment opportunity, affirmative action, equal access to programs and services, and the enforcement of Civil Rights, including, but not limited to, Section 3 of the Housing and Urban Development Act of 1968, Sections 103 and 109 of the Housing and Community Development Act of 1974, as amended, Title VI and Title VII of the Civil Rights Act of 1964, as amended, Title VIII of the Civil Rights Act of 1968 (the Fair Housing Act, as amended by the Housing for Older Persons Act of 1995), Sections 502, 503, 504 and 505 of the Rehabilitation Act of 1973, Equal Pay Act of 1963, Age Discrimination in Employment Act of 1967, as amended, the Vietnam Era Veterans Readjustment Act of 1974, the 1986 U.S. Immigration Reform and Control Act, Americans with Disabilities Act of 1990, Executive Order 11063 of 1962 and Executive Order 11246 of 1965, as amended, and the Nontraditional Employment for Women Act of 1991; the New Mexico Human Rights Act and the Albuquerque Human Rights Ordinance, as well as all rules and regulations pertaining to each such statute or ordinance; and will not discriminate against any person or applicant because of race, color, religion, sex, national origin or ancestry, physical or mental handicap, sexual orientation, gender identity, disability, or Vietnam-era or disabled veteran status, and will make reasonable accommodation to the known physical or mental handicap or disability of an otherwise qualified applicant for tenancy.

L. The Developer shall comply with all project requirements pursuant to 24 CFR §92.504(c)(3)(iii). Compliance with the project requirements in subpart F, as applicable to the Rental Housing Project, is required.

M. The Developer shall comply with Property Standards as set forth in 24 CFR §92.251). The housing must meet the property standards of 24 CFR §92.251 upon project completion, and must maintain the housing in compliance with 24 CFR §92.251 for the duration of the affordability period.

N. The Developer must comply with the requirements of 24 CFR §92.355 regarding Lead-Based Paint. Housing assisted with HOME funds is subject to the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821–4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851–4856), and implementing regulations at part 35, subparts A, B, J, K, M and R of this title.

O. The Developer must comply with all other program requirements of 24 CFR §92.504(c)(3)(v)(A)-(F) (subpart H), including the following:

1. Affirmative marketing plan (24 CFR §92.351): Developer shall submit an affirmative marketing plan in accordance with 24 CFR §92.351 and the Fair Housing Act.

2. Pursuant to 24 CFR §92.350, Developer shall comply with all requirements set forth in 24 CFR Part 5, Subpart A, including nondiscrimination and equal opportunity, disclosure requirements, debarred, suspended or ineligible contractors, drug-free work place, and housing counseling. The non-discrimination requirements at Section 282 of the Act are applicable.

3. Developer must comply with all displacement, relocation, and acquisition requirements, pursuant to 24 CFR §92.353.

4. Developer must comply with all applicable labor requirements of 24 CFR §92.354, including as applicable, the Davis-Bacon Act (40 USC 3141), and the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 USC 3701).

5. Developer must comply with the conflict of interest provisions in 24 CFR §92.356(f).

6. Developer must comply with the provisions of 24 CFR §92.358 regarding consultant activities.

7. Developer must comply with the Violence Against Women Act (VAWA) requirements under 24 CFR §92.359, including the notice obligations and obligations under the emergency transfer plan.

P. The Developer represents that it has been evaluated and meets the requirements of a Community Housing Development Organization (CHDO) at the time of the award.

ARTICLE VII

Monitoring/Reports Required

Section 7.1. The Developer shall report, in writing, at least quarterly during the construction and lease-up phases of the Project. The quarterly report shall include the process of construction as a percentage complete, construction funds expended with remaining balance, and number of units completed, and a certified rent roll showing household size, ethnicity, race, and whether the occupant is female head of household.

Section 7.2. Income received from the rental of affordable units, if funded by HOME, shall be considered Program Income and must comply with 24 CFR §92.503. A Program Income report detailing the uses of Program Income for the reporting period shall be provided by the Developer within thirty (30) days after the close of the quarter until the terms of this Agreement have been met.

Section 7.3. The Developer shall provide an annual report within ninety (90) days of the close of the Developer's fiscal year until the expiration of the HOME Affordability Period. The report shall include, but not be limited to, the financial statements for the Project, Income and Expense Statement for the Project, a Program Income budget, a certified rent roll showing household size, ethnicity, race, whether the occupant is female head of household, date of execution of the occupants' current lease, adjusted gross income and rental rates, and, if applicable, the proposed uses of Program Income for the forthcoming year.

Section 7.4. At any time during normal business hours and as often as the City, its designee, or the appropriate funding entity may deem necessary, there shall be made available to

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the City or the appropriate funding entity for examination, all of the Developer's records with respect to all matters covered by this Agreement. The Developer shall permit the City or the appropriate funding entity to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.

Section 7.5. The Developer shall comply with all applicable monitoring provisions of the City's housing regulations including but not limited to the City's HOME Policies and Procedures and/or Workforce Housing Regulations, as determined by the City. The Developer shall report as required to the State Department of Workforce Solutions.

ARTICLE VIII

Fees, Taxes, Insurance and Other Amounts Payable

Section 8.1. Payment, Fees and Other Amounts Payable. Developer shall promptly pay or cause to be paid, as the same become due, all governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project or any interest therein or other property constructed, installed or bought by Developer therein or thereon which, if not paid, will become a lien on the Real Property prior to or on a parity with the City Mortgages including all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project, provided that with respect to governmental charges that may lawfully be paid in installments over a period of years, Developer shall be obligated to pay only such installments as are required to be paid during the term of this Agreement when due. Developer may, in good faith, contest any such charges and in the event of any such contest may permit the charges so contested to remain unpaid during the period of such a contest and any appeal therefrom, provided that during such period, enforcement of any such contested item shall be effectively stayed. If Developer shall fail to pay any of the foregoing items required herein to be paid by Developer, the City may (but shall be under no obligation to) pay the same, and any amounts so advanced therefore by the City shall become an additional obligation of Developer to the City, which amounts, together with interest thereon at statutory judgment interest rate from the date thereof, Developer agrees to pay on demand. Any such amounts so advanced by the City shall be secured by the City Mortgages.

Section 8.2. Payments Required. The obligations of Developer to make the payments required in Section 8.1 hereof and to perform and observe the other agreements on its part contained in this Agreement shall be absolute and unconditional without offset or counterclaim for claims against the City or any other party.

Section 8.3. Maintenance of Project. Developer agrees that, during the term of this Agreement as described in Section 2.2, it shall, at its own expense, keep the Project in a reasonably safe condition and keep the buildings and all other improvements forming a part of the Project in good repair and in good operating condition making, from time to time, all necessary repairs thereto and renewals and replacements thereof. Any tangible property purchased or installed with proceeds from the City Grant or received in exchange for tangible property purchased or installed with proceeds from the City Grant shall become a part of the Project and the Real Property thereof.

Developer shall not permit any mechanic's lien, security interest, or other encumbrance to be established or to remain against the Project for labor or materials furnished in connection with the construction or installation of the Project or any additions, modifications, improvements, repairs, renewals or replacements made by it, provided that if Developer shall notify the City of its intention to do so, Developer may, in good faith, contest any mechanic's or other liens filed or established against the Project and such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom unless Developer determines or the City shall notify Developer that, in the opinion of the City, by non-payment of any such items, the City HOME Mortgage as to any part of the Project shall be materially endangered or the Project or any part thereof shall be subject to loss or forfeiture in which event the Developer shall promptly pay and cause to be satisfied and discharged all such unpaid items.

Section 8.4. Insurance Required. During the construction period and throughout the term of this Agreement, Developer itself through its contractors, subcontractors or agents shall keep the Project insured against loss or damage by maintaining policies of insurance and by paying, as the same become due and payable, all premiums with respect thereto, including but not necessarily limited to the following coverage:

A. **COMPREHENSIVE GENERAL LIABILITY INSURANCE.** Developer shall obtain comprehensive general liability insurance, including automobile insurance, with liability limits in amounts not less than \$2,000,000 aggregate limit of liability for bodily injury, including death, and property damage in any one occurrence. Said policies of insurance must include coverage for all operations performed on or about the Project, including coverage for collapse, explosion and underground liability coverage, coverage for the use of all owned, non-owned, hired automobiles, vehicles and other equipment both on and off the Project site and contractual liability coverage which shall specifically insure the indemnification provisions of this Agreement. The above requirement shall include but shall not be limited to protection against damage or destruction of public and private property, including telephone conduit, telegraph conduit, power conduit, telephone signal cables, fiber optics cables, television cables, computer cables, fire alarm circuits, gas mains, water service connections, sanitary sewer, sewer, house or building connections, water mains, water service connections, steam lines, petroleum products pipelines, storm drains, storm inlet lines including all appurtenances thereto while located below the surface of the ground including injury or death to person or persons caused by Developer's operations including blasting and trenching, backfilling, tamping, with or without the use of mechanical equipment, and the collapse of or structural damage to a building, house or structure including power, telephone, telegraph, fire alarm, street light poles, curb, gutter and sidewalk on public or private property and destruction of or damage to other public or private property resulting therefrom including injury or death to person or persons and all causes by Developer's operations in the removal of other building structures including their supports, trees and utility poles or by excavation including blasting and trenching, backfilling, tamping with or without use of mechanical equipment. Other public and private property as used above shall include but not be limited to lawns, plants, flowers, trees, fences, yards, walls.

B. **OWNER'S PROTECTIVE PUBLIC LIABILITY INSURANCE.** Developer shall procure, or cause or be procured, and maintain, during the life of construction, an owner's

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protective public liability insurance policy with liability limits in an amount not less than \$2,000,000 combined single limit of liability for bodily injury, including death and property damage in any one occurrence.

C. **WORKER'S COMPENSATION INSURANCE.** Developer shall comply with the provisions of the Worker's Compensation Act, the Subsequent Injury Act and the New Mexico Occupational Disease Disablement Law. Developer shall procure and maintain, during the life of the Project, complete Worker's and Employer's Liability Insurance in accordance with New Mexico law and regulations. Such insurance shall include coverage permitted under NMSA 1978, §52-1-10 for safety devices. With respect to worker's compensation insurance, if Developer elects to be self-insured, it shall comply with the applicable requirements of law. If any portion of the construction of the Project is to be subcontracted or sublet, Developer shall require the contractor and subcontractor to similarly provide such coverage (or qualify as self-insured) for all latter's employees to be engaged in such work. It is agreed with respect to all worker's compensation insurance, Developer and its surety shall waive any right of subrogation they may acquire against the City, its officers, agents and employees by reason of any payment made on account of injury, including death, resulting therefrom sustained by any employee of the insured arising out of performance of this Agreement. Neither the Developer nor its employees are considered to be employees of the City of Albuquerque for any purpose whatsoever. The Developer is considered to be an independent contractor at all times in the performance of this Agreement. The Developer further agrees that neither it nor its employees are entitled to any benefits from the City under the provisions of the Worker's Compensation Act of the State of New Mexico, nor to any of the benefits granted to employees of the City under the provisions of the Merit System Ordinance as now enacted or hereafter amended.

D. **BUILDER'S RISK INSURANCE.** Developer shall procure and maintain, until completion of the construction, builder's risk, vandalism and malicious mischief insurance. Alternatively, Developer shall procure and maintain insurance against loss or damage to the Project by fire, lightning, vandalism, and malicious mischief with the uniform extended coverage endorsement limited only as may be provided in the standard form or extended coverage endorsement at the time in use by the State of New Mexico to provide for not less than 90% recovery of the market value of the buildings and other improvements but in any event no less than the cost of fully paying the City Grant.

E. **INCREASED LIMITS:** At any time during the term of this Agreement, the City may require Developer to reasonably increase the maximum limits of any insurance required herein and Developer shall promptly comply.

F. **PROOF OF INSURANCE:** During the term of this Agreement, not less than once each year, on or before May 31, Developer shall provide to the City without demand, or more frequently upon written demand, proof of all required insurance coverages.

Section 8.5. **Performance, Payment and Other Bonds.** Developer or Contractor shall furnish or cause to be furnished, performance and payment bonds as security for the faithful performance and payment of all its obligations pursuant to the construction of the Project. These bonds shall be in amounts at least equal to the amount of the City Grant and in such form and with such sureties

as are licensed to conduct business in the State of New Mexico and are named in the current list of surety companies acceptable on federal bonds as published in the Federal Register by the Audit Staff of Accounts, U.S. Treasury Department. The performance bond shall also include coverage for any guaranty period provided by the contractor. The surety on the performance bond shall furnish a waiver whereby it consents to the progress or partial payment to any contractor of amounts for materials and acknowledges that such payment shall not preclude enforcement of such remedy as may be available against such surety. Developer shall cause the City to be named a joint obligee on such bonds. If the surety on any bond furnished by Developer is declared bankrupt or becomes insolvent or its right to do business in the State of New Mexico is revoked, Developer shall substitute or cause to be substituted another bond and surety within ten (10) days thereafter. The Developer may furnish a letter or letters of credit in form satisfactory to the City as an alternative to the performance, payment bonds specified above. Any such letter must be drawn against a New Mexico institution whose deposits are federally insured and shall be payable exclusively to the City on demand.

Section 8.6. Additional Provisions Respecting Insurance. All insurance required to be taken out by Developer pursuant to this Agreement shall be taken out and maintained in generally recognized responsible insurance companies authorized to do business in the state of New Mexico selected by Developer. All applicable policies evidencing such insurance shall name both the City and Developer as named insured and the City shall be named as loss payee as to the City Mortgages under the builder's risk and property insurance required by this Agreement. An original or duplicate copy of the insurance policies providing the coverage required by Section 6 hereof shall be deposited with the City. Prior to expiration or exchange of such policy, Developer shall furnish the City evidence satisfactory to the City that the policy has been renewed or replaced or is no longer required by this Agreement. All policies required hereunder shall provide that the City shall be given thirty (30) days prior written notice of cancellation, non-renewal or material alteration of coverage. Provisions that the insurance company shall "endeavor to give the City notice" shall not be allowed.

Section 8.7. Advances by City. If Developer shall fail to maintain the full insurance coverage required by this Agreement or shall fail to keep the Project in as reasonably safe condition as its operating condition shall permit or shall fail to keep the buildings in good repair and good operating condition, the City may, but shall be under no obligation to, obtain the required policies of insurance and pay the premiums on the same or make the required repairs, renewals and replacements and all amounts so advanced therefore by the City shall become an additional obligation of Developer to the City which amounts, together with any interest thereon at the statutory judgment interest rate thereof, Developer agrees to pay on demand. Any such amounts advanced by the City shall be secured by the City HOME Mortgage and shall be paid upon demand by the City.

ARTICLE IX

Damage, Destruction and Condemnation

Section 9.1. Damage, Destruction and Condemnation. In the event the Project is destroyed or damaged, in whole or in part, by fire, or other casualty or title to or the temporary use of the Greater Albuquerque Housing Partnership
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Project or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or any person, firm or corporation, acting under governmental authority, Developer shall be obligated to continue to repay the City Grant as provided herein. Developer shall cause the net proceeds of insurance or from any award made in such eminent domain proceedings to be applied in one or more of the following ways as may be agreed in writing by the City and Developer:

A. The restoration of the buildings and other improvements located on the Real Property to substantially the same conditions as existed prior to the casualty causing the damage or destruction or the exercise of eminent domain, provided such repair or re-construction is physically and economically feasible.

B. Repayment of the City Grant and extinguishment of the liens, in order of lien priority.

C. In the event City and Developer cannot agree on the approach to take, City shall make the final decision and Developer agrees to be bound by that decision.

ARTICLE X

Special Covenants

Section 10.1. City's Right of Access to the Project. Developer agrees that the City and any of its duly authorized agents shall have the right at all reasonable times to enter upon and examine and inspect the Project provided that any such inspections shall be conducted in a manner that will minimize any intrusion on the operations of the Project.

Section 10.2. Good Standing. Developer warrants and represents that it has executed, filed and recorded all certificates and other documents and has done and shall continue to do throughout the term of this Agreement such other acts as may be necessary or appropriate to comply with all applicable requirements for the formation, qualification and operation of a non-profit corporation and the operation and ownership of the Project under the laws of the State of New Mexico.

Section 10.3. Granting of Easements. If no event of default under this Agreement shall then be continuing, Developer may at any time grant easements, licenses, rights-of-way including the dedication of public roads, streets or highways, and other rights or privileges in the nature of easements with respect to any Real Property included in the Project, consistent with the purposes of the Project, or Developer may release existing easements, licenses, rights-of-way and other rights or privileges with or without consideration subject to review and approval by the City. Developer shall furnish to the City a survey showing such easement, license or right-of-way, a copy of the instrument of grant and a certificate executed by a duly Authorized Developer Representative stating that such grant or release is not detrimental to the proper conduct of the business of Developer and that such grant or release shall not impair the effective use or market value, or interfere with the effective operation of the Project.

Section 10.4. Release and Indemnification Agreement. Developer releases the City from, and covenants and agrees that the City shall not be liable to the Developer for any loss or damage to property or any injury to or death of any person or persons occasioned by any cause whatsoever pertaining to the Project or the use thereof.

Developer shall defend, indemnify and hold harmless the City from any loss, claim, damage, acts, penalty, liability, disbursement, litigation expense, attorney's fees and expense or court costs arising out of or in any way relating to this Agreement, the City Mortgages, the City Notes or any other cause whatsoever pertaining to the Project, subject to the limitations found in NMSA 1978 § 56-7-1. The City shall promptly, after receipt of notice of the existence of a claim in respect of which indemnity hereunder shall be sought or of the commencement of any action against the City in respect of which indemnity hereunder may be sought, notify Developer in writing of the existence of such claim or commencement of such action. This section shall not apply to the negligent act or failure of the City or of its officials, employees and agents.

This indemnification agreement shall survive the term or termination of this Agreement.

Section 10.5. Sale, Assignment or Encumbrance of Project. Except as otherwise expressly permitted herein or in the City HOME Mortgage, during the HOME Affordability Period, Developer shall not sell, assign, dispose of, mortgage or in any way encumber the Project or any part thereof without the prior written consent of the City. City consent must be given in writing and may require repayment of federal funds to the City. Any conveyance of the Project during the term of this Agreement shall incorporate the Restrictive Real Estate Covenants.

Section 10.6. Authority of Authorized City Representative. Whenever, under the provisions of this Agreement, the approval of the City is required or Developer is required to take some action at the request of the City, such approval or such request shall be made by the Authorized City Representative unless otherwise specified in this Agreement and Developer shall be authorized to act on any such approval or request.

Section 10.7. Authority of Authorized Developer Representative. The Developer represents and warrants to the City that the Authorized Developer Representative is empowered to take all actions contemplated herein and that reliance by the City on the authority of the Authorized Developer Representative shall not give rise to a complaint against the City as a result of any action taken by the City.

Section 10.8. Financial Statement of Developer. During the term of this Agreement, Developer agrees to furnish the City a copy of its audited annual financial statements at least annually. The report and the management letter made on the audit, shall, within thirty (30) days of receipt by the Developer, be transmitted to the City and made available by it for public inspection.

ARTICLE XI

Events of Default Defined

Section 11.1. Events of Default Defined. The following “material events of Default” under this Agreement, also referred to as “Events of Default” or “default” include any one or more of the following events:

A. Failure by Developer to pay within five (5) days of the receipt of notice of monies due any amount required to be paid pursuant to the City Grant.

B. Failure by Developer to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement (other than payment, which is governed under Section 11.1.A. of this Agreement), for a period of ten (10) days after written notice from City to Developer specifying such failure and requesting that it be remedied. Provided, however, if the default in question is not reasonably susceptible to cure within such ten (10) day period Developer shall not be in default if, within such ten (10) day period, Developer notifies City that it has undertaken reasonable measures to cure the default and specifies the nature of such measures, and the City verifies that measures have been undertaken and concurs that they are reasonable measures.

C. Occurrence of any event specifically identified throughout this Agreement as an Event of Default, although an Event of Default is not limited to those instances specifically identified. Should an event specifically identified in this Agreement as an Event of Default occur, the parties shall follow the notice provisions and procedures of Section 11.1.B.

D. Developer agrees that as long as this Agreement is in effect, it shall maintain its existence as a non-profit corporation, shall not dissolve or otherwise dispose of all or substantially all of its assets and shall not consolidate with or merge into another entity without the prior written consent of the City, which consent shall be at its reasonable discretion. Failure to abide by this subsection is an Event of Default.

E. The occurrence of an “Event of Default” under the City HOME Mortgage, City HOME Note, or the Restrictive Real Estate Covenants.

Section 11.2. No Remedy Exclusive. No remedy herein conferred upon or reserved to the City nor any remedy conferred upon or reserved to the City pursuant to the City HOME Mortgage or the City HOME Note 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 City 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.

Section 11.3. Agreement to Pay Attorneys’ Fees and Expenses. If Developer defaults under any of the provisions of this Agreement or the City HOME Mortgage, City HOME Note, or Restrictive Real Estate Covenants and the City employs attorneys or incurs other expenses for the enforcement of performance or observance or any obligations or agreement on the part of Developer herein

contained in this Agreement, the City HOME Mortgage, the City HOME Note, or Restrictive Real Estate Covenants, Developer agrees that it shall on demand therefor pay to the City the reasonable fees of such attorneys and such other reasonable expenses incurred by the City in preserving and protecting the City's rights under this Agreement.

Section 11.4. No Additional Waiver Implied by One Waiver. If any agreement contained in this Agreement should be breached by either Party and thereafter waived by the Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach.

Section 11.5. Redemption Period. In the event the City shall elect to foreclose the City Mortgages in accordance with this Agreement, the period of redemption shall be one (1) month in lieu of nine (9) months.

Section 11.6. Remedies Upon Default.

A. Upon any Event of Default ("Default") and regardless of any other notices previously provided, the City may send a Final Notice of Default to Developer describing the Default and requiring cure within fifteen (15) days from the date of the mailing or delivery of the Notice.

B. If the Default is not cured or arrangements satisfactory to the City made to cure the Default, the City may elect to (1) accelerate, impose interest and call due the City HOME Note and the City HOME Mortgage; and (2) sue for compensatory damages suffered by the City due to the Default as well as, if appropriate, punitive damages.

ARTICLE XII

Miscellaneous

Section 12.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the City:

Authorized City Representative
Director, Department of Health, Housing & Homelessness
Or Successor Department
City of Albuquerque
Post Office Box 1293
Albuquerque, NM 87103

If to Developer:

Authorized Developer Representative
Greater Albuquerque Housing Partnership
320 Gold Avenue SW, Suite 918
Albuquerque, NM 87102

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The City and Developer may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificate or other communication shall be sent.

Section 12.2. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the City, Developer and their respective successors and assigns, subject however to the limitations contained herein.

Section 12.3. Severability. In the event any covenant, condition or provision herein is held to be invalid, illegal, or unenforceable by any court of competent jurisdiction, such covenant, condition or provision shall be deemed amended to conform to applicable laws so as to be valid or enforceable or, if it cannot be so amended without materially altering the intention of the parties, it shall be stricken. If stricken, all other covenants, conditions and provisions of this Agreement shall remain in full force and effect provided that the striking of such covenants, conditions or provisions does not materially prejudice either the City or the Developer in its respective rights and obligations contained in the valid covenants, conditions or provisions of this Agreement.

Section 12.4. Amendments, Changes and Modifications. Except as otherwise provided in this Agreement or in the City Mortgages, this Agreement shall not be effectively amended, changed, modified, altered or terminated except by mutual written agreement of the Parties.

Section 12.5. Execution of Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 12.6. Other Instruments. Developer and the City covenant that they shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such instrument, supplemental hereto and further acts, instruments and transfers as may be required hereunder.

Section 12.7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico and the laws, rules and regulations of the City of Albuquerque, in addition to federal laws and regulations which apply to this Agreement.

Section 12.8. Recording. This Agreement as well as the City HOME Mortgage, City HOME Note, and Restrictive Real Estate Covenants and every assignment and modification thereof shall be recorded in the office of the County Clerk of Bernalillo County New Mexico.

Section 12.9. No Pecuniary Liability of City. No provision, covenant or agreement contained in this Agreement or any obligations herein imposed upon the City or the breach thereof shall constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitations of the State of New Mexico or shall constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers.

Section 12.10. Officials, Agents and Employees Not Personally Liable. No official, agent or employee of the City and no member of the City Council shall be personally liable on this Agreement.

Section 12.11. Waiver. No provisions of this Agreement shall be deemed to have been waived by either party unless such waiver is in writing, signed by the party making the waiver and addressed to the other party, nor shall any custom or practice which may evolve between the parties in the administration of the terms of this Agreement be construed to waiver or lessen the right of either party to insist upon the performance of the other party in strict accordance with the terms of this Agreement. Further, the waiver by any party of a breach by the other party or any term, covenant, or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition thereof.

Section 12.12. Gender, Singular/Plural. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

Section 12.13. Captions and Section Headings. The captions, section headings, and table of contents contained in this Agreement are for convenience of reference only, and in no way limit, define, or enlarge the terms, scope, and conditions of this Agreement.

Section 12.14. Relationship of Contract Documents. All documents attached to this Agreement or incorporated into this Agreement are complementary, and any requirement of one contract document shall be as binding as if required by all. Any inconsistency among the various documents shall be resolved in favor of the language in this Development Agreement which, along with its amendments, if any, is deemed to be the primary document.

Section 12.15. Exhibits, Certificates, Documents Incorporated and Attachments. Incorporation by Reference: All certificates, documents, exhibits, attachments, riders, and addenda referred to in this Agreement are hereby incorporated into this Agreement by reference and made a part hereof as though set forth in full in this Agreement to the extent they are consistent with its conditions and terms.

Section 12.16. Governmental Rights and Powers. Nothing in this Agreement shall be construed or interpreted as limiting, relinquishing, waiving, or defining governmental rights and the police powers of the City or abrogating the requirement of any ordinance.

Section 12.17. Cross References. References in the text of this Agreement to articles, sections, or exhibits pertain to articles, sections or exhibits of this Agreement unless otherwise specified.

Section 12.18. Time is of the Essence. Subject to the qualifications otherwise set forth herein, time is of the essence in the performance of this Agreement.

Section 12.19. Assignment and Subletting. Except for the assignment of this Agreement to the Development Entity, the Developer shall not delegate, assign, sublet, mortgage or otherwise transfer, in whole or in part, any of the rights or responsibilities granted in this Agreement or the

City HOME Mortgage, the City HOME Note, and the Restrictive Real Estate Covenants without the prior written approval of the City. The City has no obligation to and shall not be required to approve any assignment or other transfer of this Agreement that would result in the services required in this Agreement being performed by any other person or entity other than the Developer.

Section 12.20. No Partnership or Agency. Nothing contained in this Agreement is intended or shall be construed in any respect to create or establish any relationship other than that of the Owner and Developer, and nothing herein shall be construed to establish any partnership, joint venture or association or to make Developer the general representative or agent of City for any purpose whatsoever.

Section 12.21. Force Majeure. Except as expressly provided in this Agreement, neither City nor Developer shall be deemed to be in default hereunder if either party is prevented from performing any of the obligations, other than payment of rental, fees and charges hereunder, by reason of strikes, boycotts, labor disputes, embargoes, shortages of energy or materials, acts of the public enemy, weather conditions and the results of acts of nature, riots, rebellion, sabotage, pandemic, epidemic, or any other similar circumstances for which it is not responsible, are not within its control, or are not reasonably foreseeable. After the termination of any such event of Force Majeure forbearance shall terminate, the obligation to perform shall recommence with an appropriate and reasonable extension to any deadlines.

Section 12.22. Forum Selection. Any cause of action, claim, suit, demand, or other case or controversy arising from or related to this Agreement shall only be brought in a state district court located in Bernalillo County, New Mexico or in a federal district court located in New Mexico. The parties irrevocably admit themselves to, and consent to, the jurisdiction of either of both said courts. The provisions of this section shall survive the termination of this Agreement.

Section 12.23. Compliance with Laws. The Developer shall comply with all applicable laws, ordinances, regulations and procedures of Federal, State, and local governments in the development, construction, maintenance and management of the Project.

Section 12.24. Savings. City and Developer acknowledge and agree that they have thoroughly read this Agreement, including all exhibits thereto, and have sought and received whatever competent advice and counsel was necessary for them to form a full and complete understanding of all rights and obligations herein. City and Developer further acknowledge that the Agreement is the result of negotiations between them and this Agreement shall not be construed against either party by reason of that party's preparation of all or part of this Agreement.

Section 12.25. Survival. All obligations, covenants and agreements contained herein which are not performed at or before the Closing but which are to be performed after the Closing as provided in this Agreement shall survive the closing of this transaction.

Section 12.26. Approval Required. This Agreement shall not become effective or binding until approved by the highest approval authority required by the City under this Agreement. The effective date of this Agreement shall be the date of signature of the highest approval authority required by the City.

Greater Albuquerque Housing Partnership
Farolito Senior Community
HOME \$4,187,152 Grant
2023

Section 12.27. Agreement Binding. This Agreement and all parts contained herein shall be binding upon each party and such transferees, their successors, assigns and all parties claiming by, through or under any of them. It is further agreed that each and every conveyance of any portion of the Project shall contain the covenants specified in this Agreement and those contained in Exhibit I, Restrictive Real Estate Covenants, attached hereto.

Section 12.28. Electronic Signatures. In accordance with NMSA 1978 § 14-16-1 *et seq.*, the parties agree to accept the use of electronic signatures for purposes of this Agreement. The parties agree that this Agreement may be electronically signed and that the electronic signatures appearing on the Agreement are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility. Where this Agreement requires a signature or record to be notarized, acknowledged, verified or made under oath, the requirement is satisfied if the electronic signature of the person authorized to perform those acts, together with all other information required to be included by other applicable law, is attached to or logically associated with the signature or record.

(THIS SPACE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF the City and Developer have caused this Agreement to be executed in their respective names and all upon the final date of signature.

CITY OF ALBUQUERQUE

Approved By:

DocuSigned by:



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

 Samantha Sengel, Chief Administrative Officer
City of Albuquerque

Date: 12/19/2023 | 11:14 AM MST

DocuSigned by:



72F4E134004641B...

  Carol M. Pierce, Director
Department of Health, Housing & Homelessness

Date: 12/19/2023 | 8:45 AM MST

DocuSigned by:



1A21D96D32C74EE...

Lauren Keefe, City Attorney

Date: 12/19/2023 | 9:36 AM MST

DEVELOPER:

Greater Albuquerque Housing Partnership
(Signature below must be that of a board member or officer authorized to bind the corporation).

DocuSigned by:



F4B7BD00557A40E...

By: Felipe Rael, Executive Director

Exhibit A

Definitions

The following additional terms, except where the context indicates otherwise, shall have the respective meanings set forth below:

1. “Act” means the HOME Investment Partnerships Act at Title II of the Cranston-Gonzales National Affordable Housing Act, as amended, 42 U.S.C. 12701 *et seq.*
2. “AMI” means Area Median Income which is the annual income figure for a specific geographic area which is determined annually by the U.S. Department of Housing and Urban Development and adjusted for family size.
3. “Authorized City Representative” for the purposes of this Agreement shall be the Director of the Department of Health, Housing & Homelessness or his/her designee.
4. “Authorized Developer Representative” means the person designated and legally authorized to act on behalf of the Developer.
5. “Buildings” means those certain buildings and all other structures, improvements, equipment, fixtures and facilities described or shown in the plans and specifications forming a part of the Project which are now or hereafter located on the Real Property as they may at any time exist.
6. “City” means the Department of Health, Housing & Homelessness, City of Albuquerque, New Mexico, which is acting on behalf of the City as manager of this Agreement and does not obligate other City Departments which have separate and distinct obligations in regard to planning, zoning, inspections, licensing and permitting.
7. “City Grant” means that amount of funds authorized under this Agreement and provided through the City to construct the Project.
8. “City HOME Mortgage” means the mortgage against the Real Property, in substantially the form set forth in Exhibit C attached hereto, executed by the Developer in favor of the City to secure repayment of the City Grant in accordance with Section 5.2 herein.
9. “City HOME Note” means the promissory note, substantially in the form attached hereto as Exhibit D, which evidences the obligation of the City Grant, in accordance with Section 5.2 herein.
10. “City Mortgage” means the City HOME Mortgage.
11. “City Note” means the City HOME Note.

12. “Closing” means the event of the real estate closing of the City Grant and transfer of the Real Property wherein all parties and all sources of Project funding are identified as shown in Exhibit E, and the City HOME Mortgage, the City HOME Note, and the Restrictive Real Estate Covenants are executed by Developer in favor of the City and recorded in the County Clerk’s office.

13. “Completion Date” means the date of completion of the construction of the Project as that date shall be certified pursuant to Section 4.2 hereof.

14. “Construction Period” means the period between the beginning of construction or installation of the Project and the Completion Date.

15. “Council” means the Council of the City or any successor governing body of the City.

16. “Developer” means the natural or artificial person who enters into a Development Agreement with the City for the purpose of constructing, owning or managing a Project under the Act. The term Developer includes the initial entity, its partners, successors, assigns, agents and representatives.

17. “HOME Affordability Period” means twenty (20) years from the City’s completion of the Project in the HUD Integrated Disbursement and Information System (IDIS).

18. “HOME Assisted Unit” means that residential unit, which either directly, or indirectly, has received financial assistance for acquisition and/or construction from funds authorized in the Act. In rental projects where the funds provided through the Act are only a portion of the total Project cost, a prorated number of units shall be defined in Exhibit I – Restrictive Real Estate Covenants and designated as floating HOME-assisted units.

19. “Net Proceeds” when used with respect to any insurance payment or condemnation award means the gross proceeds from the insurance payment or condemnation award with respect to which that term is used remaining after payment of all expenses (including attorney’s fees) incurred in the collection of such gross proceeds.

20. “Person” means any natural person, firm association, trust, partnership, corporation or public body.

21. “Plans, Specifications and Elevations” means the plans, specifications and elevations for the Project as they shall be revised by Developer pursuant to Section 5.1 hereof.

22. “Program Income” means that portion of income generated from the Project subject to the requirements of 24 CFR Part 92 for HOME funded projects.

23. “Project” means the residential apartment development to be constructed upon the Real Property, including Buildings, related on-site and off-site improvements, equipment and related rights therein.

24. “Real Property” or “Property” means the real estate that is described in Exhibit B, and improvements thereon (if any), interest in real estate and other rights purchased under this Agreement and any instrument supplementing or amending this Agreement together with all additions thereto and substitutions therefore, less such real estate and interests in real estate taken by the exercise of the power of eminent domain as provided herein.

25. “Restrictive Real Estate Covenants” means those real estate covenants imposed on the Property in the form attached as Exhibit I to insure the City’s goals in regards to the Project.

26. “Special Needs” households means people experiencing homelessness and/or people with physical or developmental disabilities or chronic mental illnesses as defined in HUD’s Handbook 4571.2, Section 1-5, Parts A.2. and A.3.

27. “Utility Allowance” is the amount established by a schedule that is appropriate for a specific rent to cover the cost of utilities that are paid to the utility company as approved by the City.

Exhibit B

Greater Albuquerque Housing Partnership
Farolito Senior Community

10501 Central Avenue NE

Parcel A as shown on the Boundary Survey of Tract C, Video Addition and Parcels of Land Owned by the State of New Mexico Situated Within the NW1/4 NW1/4 Sec.28,T10N, R4E, NMPM, April 2016, recorded with the County Clerk of Bernalillo County on February 12, 2020 as Doc. No. 2020013489, containing 2.2856 acres, more or less.

Exhibit C

Greater Albuquerque Housing Partnership

FAROLITO SENIOR COMMUNITY

HOME Investment Partnerships (HOME)
MORTGAGE AND SECURITY AGREEMENT
(Not to Exceed the Principal Sum of \$8,374,304.00)

KNOW ALL MEN BY THESE PRESENTS THAT this instrument ("Mortgage") made this ____ day of _____, 2023, between FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability limited partnership, whose address is 320 Gold Avenue SW, Suite 918, Albuquerque, NM 87102, as mortgagor ("Borrower"), and THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP, a New Mexico non-profit corporation, whose address is 320 Gold Avenue SW, Suite 918, Albuquerque, NM 87102, as mortgagee ("Lender").

WITNESSETH:

WHEREAS, Borrower is indebted to Lender for the City Grant in the amount of **Four Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$4,187,152.00)**, which indebtedness is evidenced by that certain Promissory Note of even date herewith (the "City Note"); and

WHEREAS, Lender has entered into that certain agreement, entitled "Development Agreement" with the City of Albuquerque, New Mexico, and THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP ("Development Agreement") as of _____, 2023, which Development Agreement has been assigned by Lender to Borrower and assumed by Borrower and provides for the Borrower to construct a certain affordable housing project ("Project"), as defined and described in said Development Agreement; and

WHEREAS, the Borrower and Lender have also filed certain Restrictive Real Estate Covenants in favor of the City which restrict the use of the real property described below for the purposes underlying the grant evidenced by the City Note; and

WHEREAS, the Project shall be continued for twenty (20) years from the completion of the project in the Department of Housing and Urban Development's (HUD's) Integrated Disbursement Information System (which 20-year period is hereinafter identified as the "Affordability Period").

NOW THEREFORE, BORROWER DOES HEREBY MORTGAGE, GRANT, BARGAIN, SELL, ASSIGN, AND GRANT A SECURITY INTEREST IN AND CONVEY TO LENDER, its successors and assigns, all of Borrower's estate, right, title, and interest in, to and under any and all of the following described real property, whether now owned or hereafter held or acquired, with mortgage covenants:

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(a) All of Borrower's fee simple estate and interest in those certain parcels of real property situated in the City of Albuquerque, County of Bernalillo, and State of New Mexico, and containing:

Parcel A as shown on the Boundary Survey of Tract C, Video Addition and Parcels of Land Owned by the State of New Mexico Situated Within the NW1/4 NW1/4 Sec.28,T10N, R4E, NMPM, April 2016, recorded with the County Clerk of Bernalillo County on February 12, 2020 as Doc. No. 2020013489, containing 2.2856 acres, more or less.

Which has the address of 10501 Central NE, Albuquerque, New Mexico 87123, and which is referred to hereafter as the "Property;"

(b) All rents, issues, profits, royalties, income and other benefits derived from the Property (collectively the "Rents"), including but not limited to those payable pursuant to any leases or licenses to use the Property, subject to the right, power and authority hereinafter given to Borrower to collect and apply such Rents and all leasehold estates, right, title and interest of Borrower in and to all leases or subleases covering the Property or any portion thereof now or hereafter existing or entered into, and all right, title and interest of Borrower thereunder, including without limitation, all cash or security deposits, advance rentals, and deposits or payments of similar nature;

(c) All and singular the buildings and improvements, structures, additions, tenements, easements, hereditament, and appurtenances belonging or in anywise appertaining to the aforesaid Property, now existing or hereafter acquired, installed, or constructed and the reversion or reversions, remainder and remainders rents, issues, and profits thereof and also all the estate, right, title, interest, property, claim and demand whatsoever of Borrower of, in, and to the same, and of, in and to every part and parcel thereof;

(d) All right, title and interest of Borrower, if any, in and to the land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Property to the centerline hereof;

(e) All right, title and interest of Borrower in all fixtures, fittings, appliances, apparatus, equipment, machinery, building materials, inventory and other articles of personal property and replacements thereof, now or at any time hereafter affixed to, attached to, placed upon or used in anyway in connection with the complete and comfortable use, enjoyment, occupancy or operation of the Property or the Project, together with any proceeds realized from the sale, transfer or conversion of any of the above (subject to the right of replacement described in the City Note);

(f) All proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims, including, without limitation, proceeds of insurance and condemnation awards or judgments, and any unearned premiums accrued, accruing or to accrue under any and all insurance policies now or hereafter obtained by Borrower;

(g) To the extent assignable, any and all plans, specifications, site plans, drawings, renderings and schematics, however characterized, from time to time prepared for use in connection with the construction and operation of the Project;

(h) To the extent assignable, all contracts, agreements and understandings now or hereafter entered into, relating to or involving the performance of any work, the rendering of any services, the supply of any materials or the conduct of operations in the management of the Property or the Project, including without limitation, construction contracts, architect agreements, development agreements, management agreements with respect to hotel operations, franchise agreements and other similar agreements;

(i) To the extent assignable, any and all permits, certificates, approvals and authorizations, however characterized, issued or in any way furnished, whether necessary or not, for the operation and use of the Property and/or the Project, including, without limitation, building permits, environmental certificates, certificates of occupancy, certificates of operation, room permits, bar or restaurant permits, liquor or cabaret licenses, food service operation licenses, elevator licenses, warranties and guaranties; and

(j) All municipal or utility deposits made by or on behalf of Borrower or made in connection with the Property or the Project, together with all escrow accounts or reserves maintained or required to be maintained by Borrower hereunder, and any and all other assets revenues and profits of any kind of the Project.

(k) All right, title and interest of Borrower in and to all options to purchase or lease the Property or any portion thereof or interest therein, and any greater estate in the Property owned or hereafter acquired by Borrower;

(l) All interests, estate or other claims, both in law and in equity, which Borrower now has or may hereafter acquire in the Property;

(m) All easement, rights-of-way and rights used in connection therewith or as a means of access thereto or which are otherwise of benefit thereto or to the users thereof, and all tenements, hereditaments and appurtenances thereof and thereto;

(n) All the estate, right, title, interest, other claim or demand which Borrower now has or may hereafter acquire in any contract for the sale or other disposition of the Property or any portion thereof, and any and all proceeds to Borrower thereunder;

(o) All the estate, interest, right, title, other claim or demand, which Borrower now has or may hereafter acquire in any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Property, including without limitation any awards resulting from a change of grade of streets and awards for severance damages;

(p) All the estate, interest, right, title and other claim or demand which Borrower now has or may hereafter acquire with respect to the proceeds of insurance in effect with respect to all or any part of the Property; and,

(q) All the estate, interest, right, title and other claim or demand which Borrower now has or may hereafter acquire against anyone with respect to any damage to all or any part of the Property, including without limitation, damage arising from any defect in or with respect to the design or construction of all or any part of the Improvements and damage resulting therefrom.

All and the entire estate, property and interest hereby conveyed to Lender and herein described in the foregoing subparagraphs (a) through (q) shall sometimes hereinafter be collectively referred to as the "Property." All of the assignments hereinabove referenced are subject to the right of Borrower to collect, receive, apply, manage, and use the rights assigned until the occurrence of an event of default hereunder. The maximum amount of unpaid loan indebtedness, exclusive of interest thereon, which may be outstanding at any time is **Eight Million, Three Hundred Seventy-Four Thousand, Three Hundred Four Dollars and No Cents (\$8,374,304.00), provided that the maximum amount secured by this Mortgage shall not in any way imply that Lender shall be obligated to advance any amounts at any time.**

THE SECURED OBLIGATION

This Mortgage secures the performance of the following obligations: (i) the repayment of the indebtedness evidenced by the City Note as disbursed to Borrower from time to time, together with interest thereon, in accordance with the payment provisions set forth in the Agreement, the City Note, the Restrictive Real Estate Covenants and all renewals, extensions and modifications thereof, and the performance of all covenants contained therein, and the payment of such amounts, if any, advanced, or costs incurred by Lender in accordance herewith to protect the security of this Mortgage or in connection with the enforcement of this Mortgage or City Note; (ii) the performance of the covenants, agreements and obligations of Borrower contained herein, and as also contained in the Agreement, the City Note and the Restrictive Real Estate Covenants, and is upon the statutory mortgage condition for the breach of which it is subject to foreclosure as provided by law. In addition to the other debt or obligation secured hereby, this Mortgage shall secure unpaid balances of advances made for the payment of taxes, tax increment payments, assessments, insurance premiums, and other costs incurred for the protection of the Real Property or the Project, if not paid by Borrower as required by law or this Mortgage.

ARTICLE I **COVENANTS AND AGREEMENTS OF BORROWER**

To protect the security of this Mortgage, Borrower hereby covenants and agrees as follows:

1.1. Payment of Secured Obligations. To pay when due the principal of, and the interest on, the indebtedness evidenced by the City Note, and charges, fees and other sums as provided by the Restrictive Real Estate Covenants and the Agreement, and the principal of and interest on, any future advances secured by this Mortgage. This Mortgage, the City Note, the Restrictive Real Estate Covenants and the Agreement and any other instrument given to evidence or further secure

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the payment and performance of any obligation secured hereby, may hereafter be referred to as the “Loan Instruments.”

1.2. Application of Payments. All payments under the Loan Instruments and this Mortgage shall be applied by Lender as follows:

- (a) First, to any tax payment not paid by Borrower and fire, flood and other hazard insurance premiums required by this Mortgage and not paid by Borrower;
- (b) Second, to interest due under the Note;
- (c) Third, to the principal; and
- (d) Fourth, to late charges due under the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, if any, of the Periodic Payments.

1.3. Maintenance, Repair, Alterations. To keep the Property in good condition and repair; to construct or alter existing and future improvements of any kind only in accordance with plans and specifications that have been approved in writing by Lender, which approval not be withheld unreasonably (except alterations as may be required by laws, ordinances or regulations and minor alterations in the normal course of business); not to demolish any of the Improvements; to complete promptly and in good and workmanlike manner any building or other improvement which may be constructed on the Property and promptly restore in like manner any Improvements which may be damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor (subject to the right to contest mechanic’s and materialman’s liens pursuant to the section entitled “Liens”), to comply with all laws, ordinances, regulations, covenants, conditions and restrictions now or hereafter affecting the Property or any part thereof or requiring any alterations or improvements; not to commit or permit any waste or deterioration of the Property; to keep and maintain abutting grounds, sidewalks, roads, parking and landscaping areas in good and neat order and repair; not to commit, suffer or permit any act to be done in or upon the Property in violation of any law, ordinance or regulation.

1.4. Required Insurance. To provide, maintain and keep in force to the extent from time to time required by Lender, and as required by the Loan Instruments, the following policies of insurance:

- (a) Insurance against loss or damage to the Improvements by fire and any of the risks covered by insurance of the type now known as “fire and extended coverage,” in an amount not less than one hundred percent (100%) of the full replacement costs of the Improvements (exclusive of the cost of excavations, foundations, and footings below the lowest basement floor). The policies of insurance carried in accordance with this subparagraph (a) shall contain the “Replacement Cost Endorsement;”
- (b) Comprehensive public liability insurance on an “occurrence basis” against claims for “personal injury” including without limitation bodily injury, death or property damage occurring on, in or about the Property and the adjoining streets, sidewalks and passageways, such insurance to afford immediate minimum protection to a limit reasonable determined by Lender with respect to personal injury or death to any one or more persons or damage to property;

- (c) Insurance against loss or damage to any personal property that is part of the Property by fire and other risks covered by insurance of the type now known as “fire and extended coverage,” in an amount not less than one hundred percent (100%) of the insurable value of such personal property, excepting collision on any motor vehicles constituting part thereof;
- (d) Business interruption insurance and/or loss of “rental value” insurance in such amounts as are satisfactory to Lender;
- (e) During the course of any construction or repair of Improvements on the Property, comprehensive public liability insurance including Builder’s Risk and Fire Insurance (including coverage for elevators and escalators, if any, on the Property and if any construction of new Improvements occurs after execution of this Mortgage, completed operations coverage for two years after construction of the Improvements has been completed) on an “occurrence basis” against claims for “personal injury,” including without limitation bodily injury, death or property damage occurring on, in or about the Property and the adjoining streets, sidewalks, and passageways, such insurance to afford immediate minimum protection to a limit of not less than that required by Lender with respect to personal injury or death to any one or more persons or damage to property;
- (f) During the course of any construction or repair of Improvements on the Property, worker’s compensation insurance (including employer’s liability insurance, if required by Lender) for all employees in such amount as is reasonably satisfactory to Lender, or, if such limits are established by law, in such amounts;
- (g) During the course of any construction or repair of Improvements on the Property, builder’s completed value risk insurance against “all risks of physical loss,” including collapse and transit coverage, during construction of such Improvements, with deductibles reasonably acceptable to Lender, in non-reporting form, covering the total values of work performed and equipment, supplies and materials furnished. Said policy of insurance shall contain the “permission to occupy upon completion of work or occupancy” endorsement;
- (h) Boiler and machinery insurance covering pressure vessels, air tanks, boilers, machinery, pressure piping, heating, air conditioning and elevator equipment and escalator equipment, provided the Improvements contain equipment of such nature, and insurance against loss of occupancy or use arising from any such breakdown, in such amounts as are satisfactory to Lender; and
- (i) Such other insurance, and in such amounts, as may from time to time be required by Lender against the same or other hazards.

1.5. Delivery of Certificate, Payment of Premiums. Upon execution hereof and thereafter upon written request by Lender, Borrower shall furnish Lender with a certificate of insurance for each such policy setting forth the coverage, the limits of liability, the name of the carrier, the policy number, and the expiration date. Prior to the expiration of each such policy, Borrower shall furnish Lender with evidence satisfactory to Lender of the payment of premium and the reissuance of a policy continuing insurance in force as required by this Mortgage. All such policies shall contain a provision that such policies will not be canceled or materially amended, which term shall include any reduction in the scope or limits of coverage, without at least thirty (30) days prior written notice to Lender. In the event Borrower fails to provide, maintain, keep in force or deliver and

furnish to Lender the policies of insurance required by this Section, Lender may procure such insurance or single interest insurance for such risks covering Lender's interest and Borrower will pay all premiums thereon promptly upon demand by Lender.

1.6. Insurance Proceeds. That after the happening of any casualty to the Property or any part thereof, Borrower shall give prompt written notice thereof to Lender. All proceeds of insurance payable with respect to any such casualty shall be paid to Lender, and Borrower hereby authorizes and directs any affected insurance company to make payment of such proceeds directly to Lender. Lender is hereby authorized and empowered by Borrower to settle, adjust or compromise any claims of loss, damage or destruction under any policy or policies of insurance, provides that Borrower consent to any such settlement, adjustment or compromise, which consent shall not be withheld unreasonably. Except to the extent that insurance proceeds are received by Lender and applied to the indebtedness secured hereby, nothing herein contained shall be deemed to excuse Borrower for repairing or maintaining the Property as provided in Section 1.2 hereof or restoring all damage or destruction to the Property, regardless of whether there are insurance proceeds available or whether any such proceeds are sufficient in amount, and the application or release by Lender of any insurance proceeds shall not cure or waive any Default or notice of default under this Mortgage or invalidate any act done pursuant to such notice.

1.7. Assignment of Policies upon Foreclosure. In the event of foreclosure of this Mortgage or other transfer of title or assignment of the Property in extinguishment, in whole or in part, of the debt secured hereby, all right, title and interest of Borrower in and to all policies of insurance required by this Mortgage shall inure to the benefit of and pass to the successor in interest of Borrower or the purchaser or grantee of the Property.

1.8. Indemnifications; Subrogation.

- (a) If Lender is made a party defendant to any litigation concerning this Mortgage or the Property or any part thereof or interest therein, or the occupancy thereof by Borrower, then Borrower shall indemnify, defend and hold Lender harmless from all liability by reason of said litigation, including reasonable attorneys' fees and expenses incurred by Lender in any such litigation, whether or not any such litigation is prosecuted to judgment. Notwithstanding the foregoing, such agreement to indemnify, to the extent, but only to the extent, it relates to the construction, installation, alteration, modification, repair, maintenance, servicing, demolition, excavation, drilling, reworking, grading, paving, clearing, site preparation or development, of real property, or any improvement of any kind whether on, above, or under real property, including without limitation, buildings, shafts, wells and structures, shall not extend to liability, claims, damages, losses or expenses, including attorneys' fees, arising out of: (1) the preparation or approval of maps, drawings, opinions, reports, surveys, change orders, designs or specifications by Lender or its agents or employees; or (ii) the giving of or the failure to give directions or instructions by the Lender or its agents or employees, where such giving or failure to give directions is the primary cause of bodily injury to persons or damage to property. If Lender commences an action against Borrower to enforce any of the terms hereof or because of the breach of Borrower of any of the terms hereof, or for the recovery of any sum secured hereby, Borrower shall

pay to Lender reasonable attorneys' fees and expenses, and the right to such attorneys' fees and expenses shall be deemed to have accrued on the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

- (b) Borrower waives any and all right to claim or recover against Lender, its officers, employees, agents and representatives, for loss or damage to Borrower, the Property, Borrower's property or the property of others under Borrower's control from any cause insured against or required to be insured against by the provisions of this Mortgage.
- (c) All sums payable by Borrower hereunder shall be paid without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of Borrower hereunder shall in no way be released, discharged or otherwise affected (except as expressly provided herein) by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Property or any part thereof; (ii) any restriction or prevention of or interference with any use of the Property or any part thereof; (iii) any title defect or encumbrance of any interference with any use of the Property or any part thereof; (iv) any title defect or encumbrance or any eviction from the Property or any part hereof by title paramount or otherwise; (v) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Lender; or (vi) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not Borrower waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any sum secured hereby and payable by Borrower.

1.9. Taxes and Impositions.

- (a) Borrower agrees to pay, at least ten (10) days prior to delinquency, all real property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever, including without limitation nongovernmental levies or assessments such as maintenance charges, owner association dues or charges or fees, levies or charges resulting from covenants, conditions and restrictions affecting the Property, which are assessed or imposed upon the Property, or become due and payable, and which create, may create or appear to create a lien upon the Property, or any part thereof, or upon any personal property, equipment or other facility used in the operation or maintenance thereof (all of which taxes, assessments and other governmental charges of like nature are hereinafter referred to as "Impositions"); provided, however, that if, by law, any such Imposition is payable, or may at the option of the taxpayer be paid, in installments, Borrower may pay the same together with any accrued interest on the unpaid balance of such Imposition in installments as the same become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest.
- (b) If at any time after the date hereof there shall be assessed or imposed (i) a tax or assessment on the Property in lieu of or in addition to the Impositions payable by Borrower pursuant to subparagraph (a) hereof, or (ii) a license fee, tax or

assessment imposed on Lender and measured by or based in whole or in part upon the amount of the outstanding obligations secured hereby, then all such taxes, assessments or fees shall be deemed to be included within the term "Impositions" as defined in subparagraph (a) hereof, and Borrower shall pay and discharge the same as herein provided with respect to the payment of Impositions. Anything to the contrary herein notwithstanding, Borrower shall have no obligation to pay any franchise, estate, inheritance income, excess profits or similar tax levied on Lender or on the obligations secured hereby.

- (c) Subject to the provisions of subparagraph (d) of this Section 1.9., Borrower covenants to furnish Lender upon Lender's request from time to time official receipts of the appropriate taxing authority, or other proof satisfactory to Lender, evidencing the payments thereof.
- (d) Borrower shall have the right before any delinquency occurs to contest or object to the amount or validity of any such Imposition by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying or extending Borrower's covenant to pay any such Imposition at the time and in the manner provided in this Section 1.9., unless Borrower has given prior written notice to Lender of Borrower's intent to contest or object to an Imposition, and unless, at Lender's sole option, (i) Borrower shall demonstrate to Lender's satisfaction that the legal proceedings shall conclusively operate to prevent the sale of the Property, or any part thereof, in order to satisfy such Imposition prior to final determination of such proceedings; or (ii) Borrower shall furnish a good and sufficient bond or surety as requested by and satisfactory to Lender; or (iii) Borrower shall have provided a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of such proceedings.

1.10. Utilities. To pay when due all utility charges which are incurred by Borrower for the benefit of the Property or which may become a charge or lien against the Property for gas, electricity, water or sewer services furnished to the Property and all other assessments or charges of a similar nature, whether public or private, affecting the Property or any portion thereof, whether or not such taxes, assessments or charges are liens thereon.

1.11. Actions Affecting Property. To appear in and contest any action or proceeding purporting to affect the security hereof or the rights or powers of Lender; and to pay all costs and expenses, including costs of evidence of title and attorneys' fees, in any such action or proceeding in which Lender may appear.

1.12. Actions by Lender to Preserve Property. That should Borrower fail to make any payment or to do any act as and in the manner provided in any of the Loan Instruments, Lender, in its sole and absolute discretion, but without any obligation to do so and without releasing Borrower from any obligation, without prior notice or demand upon Borrower, may make or do the same in such manner and to such extent as Lender may deem necessary to protect the security hereof. In connection therewith (without limiting its general powers), Lender shall have and is hereby given the right, but not the obligation, (i) to enter upon and take possession of the Property; (ii) to make additions, alterations, repairs and improvements to the Property which it may consider necessary or proper to keep the Property in good condition and repair; (iii) to appear and participate in any

action or proceeding affecting or which may affect the security hereof or the rights or powers of the Lender; (iv) to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in the judgment of Lender may affect or appears to affect the security of this Mortgage or be prior or superior hereto; and (v) in exercising such powers, to pay necessary expenses, including employment of counsel or other necessary or desirable consultants. Borrower shall, immediately upon demand therefor by Lender, pay all costs and expenses incurred by Lender in connection with the exercise by Lender of the foregoing rights, including without limitation costs of evidence of title, court costs, appraisals, surveys and attorneys' fees.

1.13. Survival of Covenants and Warranties. To satisfy and perform fully and faithfully the obligations of Borrower contained in the Loan Instruments, and each agreement of Borrower incorporated by reference therein or herein, and any modification or amendment thereof. All representations, warranties and covenants of Borrower contained therein or incorporated by reference shall survive the closing and funding of any loan evidenced by the Loan Instruments and shall remain continuing obligations, warranties and representations of Borrower during any time when any portion of the obligations secured by this Mortgage remains outstanding.

1.14. Eminent Domain. That should the Property, or any part thereof or interest therein, be taken or damaged by reason of any public improvement or condemnation proceeding or in any other manner ("Condemnation"), or should Borrower receive any notice or other information regarding such proceeding, Borrower shall give prompt written notice thereof to Lender. Lender shall be entitled to join in any action or proceedings for compensation, award and other payments or relief for Condemnation ("Proceeds") and shall be entitled to hold all Proceeds therefrom. All Proceeds shall be paid to Lender and shall be applied by Lender to any indebtedness secured hereby and in such order as Lender may determine.

1.15. Additional Security. That in the event Lender at any time holds additional security for any of the obligations secured hereby, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before or concurrently herewith or after a sale is made hereunder.

1.16. Successors and Assigns. That this Mortgage applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Lender" shall mean the owner and holder of the Note, whether or not named as Lender herein.

1.17. Inspections. That Lender, or its agents, representatives or workmen, are authorized to enter at any reasonable time upon or in any part of the Property for the purpose of inspecting the same and for the purpose of performing any of the acts it is authorized to perform under the terms of any of the Loan Instruments.

1.18. Liens. To pay and discharge promptly, at Borrower's cost and expense, all liens, encumbrances and charges upon the Property, or any part thereof or interest therein; provided that the existence of any mechanic's, laborer's, materialman's, supplier's or vendor's lien or right thereto shall not constitute a violation of this Section if payment is not yet due under the contract which is the foundation thereof and if such contract does not postpone payment for more than fifty-five (55) days after the performance thereof. Borrower shall have the right to contest in good faith

the validity of any such lien, encumbrance or charge, provided Borrower shall first deposit with Lender a bond or other security satisfactory to Lender in such amounts as Lender shall reasonably require, but not more than one hundred twenty-five percent (125%) of the amount of the claim, and provide further that Borrower shall thereafter diligently proceed to cause such lien, encumbrance or charge to be removed and discharged. If Borrower shall fail to discharge any such lien, encumbrance or charge, then, in addition to any other right or remedy of Lender, Lender may, but shall not be obligated to, discharge the same, either by paying the amount claimed to be due, or by procuring the discharge of such lien by depositing in court a bond for the amount claimed or otherwise giving security for such claim, or in such manner as is or may be prescribed by law.

1.19. Easements. The existence and lien of this Mortgage shall not impede or affect the right of Borrower from time to time with respect to all or a portion of the Premises, to dedicate public areas by subdivision plat or otherwise, including streets, easements and park areas, grant to public utilities and other agencies entitled thereto ordinary and necessary easements, and apply for and obtain zoning acceptable to Borrower.

ARTICLE II

ASSIGNMENT OF RENTS, ISSUES AND PROFITS

2.1. Assignment of Rents. Borrower hereby assigns and transfers to Lender all the rents, issues and profits of the Property, including but not limited to those payable pursuant to any Lease, and hereby gives to and confers upon Lender the right, power and authority to collect such rents, issues and profits. Borrower irrevocably appoints Lender its true and lawful attorney-in-fact, at the option of Lender at any time and from time to time, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of Borrower or Lender, for all such rents, issues and profits and apply the same to the indebtedness secured hereby; provided, however, that Borrower shall have the right to collect such rents, issues and profits (but not more than two (2) months in advance) prior to or at any time there is not an event of default under any of the Loan Instruments. The assignment of rents, issues and profits of the Property in this Article II is intended to be an absolute assignment from Borrower to Lender and not merely the passing of a security interest. The rents, issues and profits are hereby assigned absolutely by Borrower to Lender contingent only upon the occurrence of a Default hereunder.

2.2. Collection upon Default. Upon any Default, Borrower may, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Property, or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees, upon any indebtedness secured hereby, and in such order as Lender may determine. The collection of such rents, issues and profits, or the entering upon and taking possession of the Property, or the application thereof as aforesaid, shall not cure or waive any Default or notice of Default hereunder or invalidate any act done in response to such Default or pursuant to such notice of Default.

ARTICLE III

SECURITY AGREEMENT

3.1. Creation of a Security Interest. Borrower hereby grants to Lender a security interest in the Personal Property, wherever located, including but not limited to those items described in the granting clause (b), above, and all property of similar type or kind, wherever located, and the proceeds therefrom, for the purpose of securing all obligations of Borrower contained in any of the Loan Instruments.

3.2. Warranties, Representatives and Covenants of Borrower. Borrower hereby warrants, represents and covenants as follows:

- (a) Except for the security interest granted hereby, Borrower is, and as to portions of the Personal Property to be acquired after the date hereof will be, the sole owner of the interest, encumbrance or adverse claims thereon of any person claiming by, under or through Borrower, except for such liens and encumbrances as may be expressly permitted by the Loan Instruments. Borrower will notify Lender of, and will defend the Personal Property against, all claims and demands of all persons claiming any interest therein by, under or through Borrower.
- (b) The Personal Property is not used or bought for personal, family or household purposes.
- (c) The Personal Property will be kept on or at the Property and Borrower will not remove the Personal Property from the Property without the prior written consent of Lender, except such portions or items of Personal Property as are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Borrower.
- (d) Borrower maintains its principal place of business in the State of New Mexico and Borrower will immediately notify Lender in writing of any change in its place of business as set forth in the beginning of this Mortgage.
- (e) Borrower approves Lender to execute and file one or more financing statements and renewals and amendments thereof pursuant to the Uniform Commercial Code of New Mexico in form satisfactory to Lender, and, if required by Lender, to pay the cost of filing the same in all public offices wherever filing is deemed by Lender to be necessary or desirable.
- (f) All covenants and obligations of Borrower contained herein relating to the Property shall be deemed to apply to the Personal Property whether or not expressly referred to herein.
- (g) This Mortgage constitutes a Security Agreement as the term is used in the Uniform Commercial Code of New Mexico.

ARTICLE IV **REMEDIES UPON DEFAULT**

4.1. Events of Default. Any of the following events shall be deemed an event of default ("Default") hereunder:

- (a) Failure to pay installment of principle or interest or any other sum secured hereby by its due date and such failure is not cured within five (5) business days after receipt of written notice from the Lender, such failure to pay or cure shall constitute an immediate default entitling the Lender to exercise any remedy hereafter

described in this paragraph, or elsewhere in this Mortgage, the City Note, or the Agreement; or

- (b) Borrower shall file a voluntary petition in bankruptcy or shall be adjudicated as bankrupt or insolvent, or shall file any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or shall seek or consent to or acquiesce to the appointment of any trustee, receiver or liquidator of Borrower or of all or any part of the Property, or of any or all of the royalties, revenues, rents, issues or profits thereof, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due;
- (c) A court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against Borrower seeking any reorganization, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, and such order, judgment or decree shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive) from the first date of entry thereof; or any trustee, receiver or liquidator of Borrower or of all or any part of the Property, or of any or all of the royalties, revenues, rents, issues or profits thereof, shall be appointed without the consent or acquiescence of Borrower and such appointment shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive);
- (d) There has occurred a breach of or default, not otherwise referred to in this Section 4.1, under any term, covenant, agreement, condition, provision, representation or warranty contained in the City Note or any other Loan Instruments or any part thereof, subject to any notice of cure rights expressly set forth in such Loan Instruments.

4.2. Acceleration upon Default, Additional Remedies. In the event of any Default, Lender may declare all indebtedness secured hereby to be due and payable and the same shall thereupon become due and payable without any presentment, demand, protest or notice of any kind. Thereafter Lender may:

- (a) Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court and without regard to the adequacy of its security, enter upon and take possession of the Property, or any part thereof, in its own name or in the name of Borrower, and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Property, or any party thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Property, sue for or otherwise collect the rents, issues and profits thereof, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including attorneys' fees, upon any indebtedness secured hereby, all in such order as Lender may determine. The entering upon and taking possession of the Property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any Default and, notwithstanding the continuance in

possession of the Property or the collection, receipt and application of rents, issues or profits, Lender shall be entitled to exercise every right provided for in any of the Loan Instruments or by law upon occurrence of any Default;

- (b) Commence an action to foreclose this Mortgage, appoint a receiver, or specifically enforce any of the covenants hereof;
- (c) Exercise any other remedy available under the laws of the State of New Mexico.

4.3. Remedies Not Exclusive. Lender shall be entitled to enforce payment and performance of any indebtedness or obligations secured hereby and to exercise all rights and powers under this Mortgage or under any Loan Instrument or other agreement or any laws now or hereafter in force, notwithstanding that some or all of the said indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, pledge, lien assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to powers herein contained, shall prejudice or in any manner affect Lender's right to realize upon or enforce any other security now or hereafter held by Lender, it being agreed that Lender shall be entitled to enforce this Mortgage and any other security now or hereafter held by Lender in such order and manner as it may in its absolute discretion determine. No remedy herein conferred upon or reserved to Lender is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by any of the Loan Instruments to Lender or to which Lender may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Lender and Lender may pursue inconsistent remedies.

4.4 Notice to the City of Albuquerque of any Event of Default. Lender shall notify the City of Albuquerque should any Event of Default occur.

ARTICLE V

MISCELLANEOUS

5.1. Governing Law. This Agreement shall be governed by and construed under and in accordance with the laws of the State of New Mexico. The parties agree that venue for any suit, action, or proceeding arising out of this Agreement shall be in Bernalillo County, New Mexico.

5.2. Borrower Waiver of Rights. To the extent permitted by law, Borrower waives the benefit of all laws now existing or that hereafter may be enacted providing for (i) any appraisal before the sale of any portion of the Property, and (ii) the benefit of all laws that may be hereafter enacted in any way extending the time for the enforcement of the collection of the City Note, the Loan Instruments or the debt evidenced thereby or creating or extending a period of redemption from any sale made in collecting said debt. To the full extent Borrower may do so, Borrower agrees that Borrower will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisal, valuation, stay, extension or redemption, and Borrower, for Borrower's heirs, devisees, representatives, successors and assigns, and for any and all persons ever claiming any interest in the Property, to the extent permitted by law, hereby waives and releases all rights of redemption, valuation, appraisal, stay of execution, notice of

election to mature or declare due the whole of the secured indebtedness and marshalling in the event of foreclosure of the liens hereby created. If this Mortgage is foreclosed, the redemption period after judicial sale shall be one (1) month in lieu of nine (9) months. If any law referred to in this Section and now in force, of which Borrower, Borrower's heirs, devisees, representatives, successors and assigns or other person might take advantage despite this Section, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this Section. Borrower expressly waives and relinquishes any and all rights and remedies which Borrower may have or be able to assert by reason of the laws of the State of New Mexico pertaining to the rights and remedies of sureties.

5.3. No Waiver. The waiver by the Lender of any breach of any term, covenant or condition contained in this Mortgage, the City Note, or all other Loan Instruments shall not be deemed to be a waiver thereof on any subsequent occasion. The Lender shall not be deemed to have waived any term, covenant, or condition of this Mortgage, the City Note or all other Loan Instruments unless Lender has signed a written waiver waiving the term, covenant, or condition.

5.4. Limitation of Interest. This Mortgage, the City Note, and all other Loan Instruments between Borrower and Lender are hereby expressly limited so that in no contingency or event whatsoever, whether by reason of deferment in accordance with the City Note or any other present or future agreement, or advancement of the proceeds of the loan evidenced thereby, acceleration of maturity of the loan, or otherwise, shall the total amount paid or agreed to be paid to the hold of the City Note for the loan, use forbearance or detention of the money to be loaned under the City Note, including without limitation all non-default interest, all default interest, any commitment or loan fees, all late charges, and all reimbursable charges or costs (including, but without limitation, inspection fees and appraisal review fees) which may be treated as interest, exceed the maximum permissible under applicable law, if any. If, from any circumstance whatsoever, fulfillment of any provision hereof or of the Agreement, the City Note or any other Loan Instruments shall or would involve transcending the limit of validity prescribed by applicable law, if any, then ipso facto, the obligation of the undersigned to be fulfilled shall be reduced to the limit of such validity. To the extent the undersigned has the power to do so, the undersigned agrees that the only such laws relevant to maximum permissible interest shall be any relevant laws of the State of New Mexico in effect on the date of the City Note. The provision of this paragraph shall never be superseded or waived and shall control every other provision of the Note, the Agreement, and all other Loan Instruments. In the event any holder of the City Note shall collect monies which are deemed to constitute interest which would otherwise increase the effective interest rate on the City Note to a rate in excess of that permitted to be charged by the laws of the State of New Mexico, all such sums deemed to constitute interest in excess of the legal rate shall, at the election of Lender in its discretion, be immediately applied to principal or returned to the Borrower upon such determination.

5.5. Statements by Borrower and Lender. Borrower and Lender, within ten (10) days after written request therefor, will furnish to the other a written statement stating the unpaid principal of and interest on the City Note and any other amounts secured by this Mortgage and stating whether any offset or defense exists against such principal and interest.

5.6. Release by Lender. Upon payment of all sums hereby, Lender shall release to Borrower, or the person or persons legally entitled thereto, without warranty, any portion of the Property then held hereunder.

5.7. Notice. Whenever Borrower or Lender shall desire to give or serve any notice, demand, request or other communication with respect to this Mortgage, each such notice, demand, request or other communication shall be in writing, shall be personally delivered, mailed by certified U.S. mail, return receipt requested, delivery by express courier service, and any such notice shall be effective upon actual receipt or receipt showing denial of delivery. Addresses for notice hereunder are as follows:

LENDER:

Greater Albuquerque Housing Partnership
320 Gold Avenue SW, Suite 918
Albuquerque, NM 87102

BORROWER:

Farolito Apartments Limited Partnership LLLP
320 Gold Avenue SW, Suite 918
Albuquerque, NM 87102

CITY of ALBUQUERQUE:

Director, Department of Health, Housing & Homelessness
P.O. Box 1293
Room 504
Albuquerque, NM 87103

Any party may at any time change its address for such notices by delivering or mailing to the other parties hereto, as aforesaid, a notice of such change.

5.8. Invalidity of Certain Provisions. If the lien of this Mortgage is invalid or unenforceable as to any part of the indebtedness secured hereby, or if the lien is invalid or unenforceable as to any part of the Property, the unsecured or partially secured portion of the indebtedness shall be completely paid prior to the payment of the remaining and secured or partially secured portion of the indebtedness, and all payments made on the indebtedness, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion of the indebtedness which is not secured or fully secured by the lien of this Mortgage. In the event any covenant, condition or provision herein is held to be void, voidable, invalid, illegal, or unenforceable by any court of competent jurisdiction, such covenant, condition or provision shall be deemed amended to conform to applicable laws so as to be valid or enforceable, or, if it cannot be so amended, without material altering the intention of the parties, it shall be stricken. If stricken, all other covenants, conditions and provision of this

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HOME \$4,187,152 Grant
2023

Mortgage shall remain in full force and effect provided that the striking of such covenants, conditions or provisions does not materially prejudice either the Lender or Borrower in its respective rights and obligations contain in the valid covenants, conditions or provisions of this Mortgage.

5.9. Due on Sale. Except as otherwise expressly provided in the City Note or Loan Instruments, if at any time:

- (a) Borrower should, without the prior written consent of Lender, assign, sell, convey or otherwise transfer its interest in the Property or any part thereof, including without limitation as assignment in liquidation or dissolution of Borrower, or
- (b) by operation of law, including without limitation, merger, consolidation, reorganization or the like, the Borrower's interest in the Property or any part thereof should be assigned, sold or otherwise transferred without the prior consent in writing of Lender, then Lender may, at its sole option, declare all sums secured hereby immediately due and payable. Consent to such a transaction shall not be deemed to be a waiver of Lender's right to require such consent to further or successive transactions.

5.10. Headings and Captions. Captions and headings of sections and paragraphs are for convenience, not limitation, and are not to be construed as modifying text.

5.11. Redemption Period. In the event of foreclosure of this Mortgage, the period of foreclosure shall be one month in lieu of the statutory redemption period of nine months.

5.12. Subordination and Release. Upon the City's approval of the Developer's financing arrangements, the City will subordinate the City Mortgage to one or more mortgages for borrowed funds necessary to develop the Project. However, the Restrictive Covenants will not be subordinated and will continue to run with the land for the term of the HOME Affordability Period.

(THIS SPACE INTENTIONALLY LEFT BLANK)

FAROLITO APARTMENTS LIMITED
PARTNERSHIP LLLP, a New Mexico limited
liability limited partnership

By: FAROLITO SENIOR LLC, a New Mexico
limited liability company, General Partner

By: THE GREATER ALBUQUERQUE
HOUSING PARTNERSHIP, Manager

By: _____
Felipe Rael, Executive Director

STATE OF NEW MEXICO)
) ss:
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on the _____ day of _____,
2023, by Felipe Rael, Executive Director of THE GREATER ALBUQUERQUE HOUSING
PARTNERSHIP, Manager of FAROLITO SENIOR LLC, General Partner of FAROLITO
APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability limited
partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

My commission expires: _____

Exhibit D**Greater Albuquerque Housing Partnership****FAROLITO SENIOR COMMUNITY
HOME Investment Partnerships (HOME)
PROMISSORY NOTE**

FOR VALUE RECEIVED, the undersigned FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability partnership ("Maker"), promises to pay to the order of THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP, a New Mexico nonprofit corporation ("Holder"), or its assigns, the principal sum of **Four Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$4,187,152.00)**, which is the value of a City HOME Investment Partnership Grant, or so much thereof as shall have been advanced to Maker by Holder from time to time, together with all charges as provided herein and in the Mortgage, as hereinafter defined, and accrued interest on the principal balance thereof outstanding from time to time at the applicable rate of interest as hereinafter specified.

On _____, 2023, Holder and the City of Albuquerque, New Mexico (the "City"), entered into a Development Agreement, (the "Development Agreement"), concerning the construction and development of an affordable housing community known as the Sterling Apartments Project in the City of Albuquerque, New Mexico (the "Project") and, pursuant to the Development Agreement, a Grant has been made to Holder by the City (the "Grant").

The loan represented by this Promissory Note ("Note") is being made with the Grant. In consideration for the loan evidenced hereby, Maker agrees that it will comply with the applicable obligations and use restrictions respecting the Project set forth in the Restrictive Real Estate Covenants, dated _____, 2023 (the "Restrictive Real Estate Covenants"). Maker agrees that it will reasonably cooperate with Holder in connection with Holder's audit and other reporting requirements to the City and the State of New Mexico in connection with the loan evidenced hereby.

The Note will accrue interest at the rate of _____ (___%) per annum.

The proceeds of the loan evidenced by this Note may be assigned, with the prior written approval of both the City and Holder, to any successors, assignees or purchasers of the Project (each a "Successor Owner") who agree in writing to assume all obligations of Maker under the Development Agreement, the Mortgage, as herein defined, and this Note, and Maker will thereupon be released from all future liability hereunder, and such Successor Owner(s) will thereafter be treated as the "Maker" for all purposes hereunder.

On or before January 1, ____, and on or before each January 1 thereafter, the Maker shall make a payment on this Note to the extent of Residual Receipts for the immediately preceding year. "Residual Receipts" shall mean Net Cash Flow of the Maker (as that term is defined in the Amended and Restated Agreement of Limited Partnership of the Maker dated as of _____, 2023) (the "Partnership Agreement") to the extent remaining to be distributed after the Partnership Services Fee (as that term is described in the Partnership

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Agreement) in the priority set forth in Section ____ of the Partnership Agreement. If not sooner paid, the entire outstanding balance of the principal sum and all accrued and unpaid interest thereon will be immediately due and payable in full on the earlier of (i) December 31, ____, (ii) upon Maker's default or breach of this Note, subject to the notice and cure provisions set forth herein, or (iii) in the event of a sale or refinancing of the Project.

All payments of principal and interest hereunder are payable in lawful money of the United States at Holder's office at 320 Gold Ave., SW, Suite 918, Albuquerque, New Mexico 87102, or at such other place as Holder may from time to time give notice in writing to Maker. All payments received hereunder will be applied first to accrued interest as of the date of payment and then to the outstanding principal balance of this Note.

This Note is secured by a Mortgage and Security Agreement of even date herewith, recorded in the real property records of Bernalillo County, New Mexico (the "Mortgage"), conveying a mortgage and security interest in the Project and the real property constituting the site therefor. All of the provisions of the Mortgage are incorporated herein by reference.

Prepayments of all or any part of the balance of this Note may be made at any time and from time to time by Maker. No premium or penalty will be charged in connection with such prepayment.

The occurrence of any of the following is a default of the terms of this Note: (i) Maker fails to pay when due any installment of principal or interest hereunder; (ii) Maker dissolves or otherwise fails to maintain its status as a New Mexico limited liability limited partnership; or (iii) Maker fails to perform the covenants contained in this Note, the Mortgage, the Development Agreement or the Restrictive Real Estate Covenants.

In the event the City requires repayment by Holder of the Grant, or any part thereof, Holder may, at its option, accelerate the indebtedness evidenced hereby to the extent of such repayment obligation, subject to the terms herein, including the notice and cure provisions below. If Holder fails to make any such repayment when due, Maker will have the right to make the required repayment directly to the City and will be entitled to full credit for all such payments against amounts otherwise due to Holder under this Note.

Upon an event of default hereunder, Holder shall provide notice thereof to Maker (a "Default Notice") and to the City of Albuquerque. Maker will have thirty (30) days after receipt of a Default Notice to cure the default addressed therein (the "Cure Period"). If such default is reasonably capable of being cured within the Cure Period, Maker will have such period to effect a cure prior to exercise of remedies by Holder under this Note and the Mortgage. If such default is such that it is not reasonably capable of being cured within the Cure Period and if Maker initiates corrective action within the Cure Period and diligently and in good faith works to effect a cure as soon as possible, then Maker shall have such additional time as is reasonably necessary to cure such default. Unless and until Maker receives a Default Notice, no action or inaction by or on behalf of Maker will be deemed an event of default hereunder, triggering Maker's obligation to cure or to pay the indebtedness evidenced hereby. In the event Maker receives a Default Notice and fails to cure the applicable default or Maker and Holder have not agreed in writing to a settlement thereof within the Cure Period, as extended, the whole unpaid balance hereof will, at

once or at any time thereafter during the continuance of such default, at the option of Holder, become immediately due and payable, and Maker will pay on demand to Holder all costs and expenses, including reasonable attorney's fees, incurred by Holder in pursuing its remedies under this Note.

Maker's limited partner (the "Limited Partner") may, at its option, cure any default for a period of thirty (30) days following notice thereof, which period may be extended with the prior consent of Holder if the Limited Partner has initiated efforts to cure the default within such thirty (30) day period and continues to diligently pursue those efforts to completion. Any cure of any default made or tendered by the Limited Partner will be deemed to be a cure by Maker and will be accepted or rejected on the same basis as if made or tendered by Maker.

All notices to Maker given hereunder must be in writing, must be hand delivered or sent by overnight courier or by certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

Maker: Farolito Apartments Limited Partnership LLLP
320 Gold Ave., SW, Suite 918
Albuquerque, New Mexico 87102

Limited Partner: TBD

City of Albuquerque: Director, Department of Health, Housing & Homelessness
P.O. Box 1293
Room 504
Albuquerque, NM 87103

Any such notice will be deemed effective when hand delivered, or one business day after timely delivery to an overnight courier for next day delivery to Maker (as evidenced by a receipt from the overnight courier), or three days after notice is deposited with the U.S. Postal Service. Copies of all notices hereunder or under the Mortgage sent to Maker must also be sent to the Limited Partner at the address set forth above. Any notice hereunder or under the Mortgage delivered to Maker will be deemed ineffective and not delivered until a copy of such notice is delivered to the Limited Partner

Except to the extent expressly provided herein, Maker waives presentment for payment, notice of protest and notice of dishonor. Maker consents to any number of renewals or extensions of the time of payment hereof. Any such renewals or extensions may be made without notice to Maker and without affecting its liability.

Failure to accelerate the indebtedness evidenced hereby by reason of default in the payment of an installment of principal, interest, or principal and interest, or the acceptance of a past due installment of the same, will not be construed as a novation of this Note or as a waiver of the right of Holder to thereafter insist upon strict compliance with the terms of this Note without previous

Greater Albuquerque Housing Partnership
Farolito Senior Community
HOME \$4,187,152 Grant
2023

notice of such intention being given to Maker. This Note cannot be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

As used herein, the terms "Maker" and "Holder" will be deemed to include their respective successors, legal representatives and assigns, whether voluntary by action of the parties or involuntary by operation of law. This Note will be construed according to the laws of the State of New Mexico.

Any and all references in this Note to any other document or documents are references to such document or documents as the same may from time to time be modified, amended, renewed, consolidated or extended.

The representative of Maker subscribing below represents that he has full power, authority and legal right to execute and deliver this Note and that the debt evidenced hereby constitutes a valid and binding obligation of Maker.

Holder agrees that it shall not assign or transfer this Loan (or any interest therein) to any third party without the prior written consent of Maker and Limited Partner.

This Note is executed in Albuquerque, New Mexico on the _____ day of _____, 2023.

FAROLITO APARTMENTS LIMITED PARTNERSHIP
LLLP, a New Mexico limited liability limited partnership

By: _____

Name: _____

Its: Authorized Agent

Exhibit E

**Project Budget
(on following pages)**

Operating Expenses

Enter data in green cells only

Project Name - Farolito Senior Community : 82 Units

Expense	Annual Cost	Monthly Cost	Per Unit Per Year	Comment
Administrative / Management Expenses				
Management Fee	\$46,967	\$3,914	\$573	
Management Administrative Payroll Costs	\$69,321	\$5,777	\$845	
Renting / Advertising / Marketing Expenses	\$4,920	\$410	\$60	
Legal Fees	\$2,000	\$167	\$24	
Accounting / Audit Fees	\$8,750	\$729	\$107	
Telephone	\$6,650	\$554	\$81	
Office Supplies	\$12,764	\$1,064	\$156	
PJ Monitoring Fee (if any)		\$0		
MFA Compliance Fee	\$4,100	\$342	\$50	
3rd Party Compliance File Review	\$3,754	\$313	\$46	
Operations and Maintenance Expenses				
Security		\$0		
Operations and Maintenance Payroll Costs	\$61,063	\$5,089	\$745	
Repairs Supplies	\$18,600	\$1,550	\$227	
Repairs Contracts		\$0		
Elevator (if any)	\$10,704	\$892	\$131	
Other Mechanical Equipment		\$0		
Interior Painting		\$0		
Exterminating	\$3,000	\$250	\$37	
Lawn and Landscaping	\$12,190	\$1,016	\$149	
Garbage Removal	\$10,400	\$867	\$127	
Snow Removal		\$0		
Resident Service Cost		\$0		
		\$0		
		\$0		
Utilities Paid by the Property				
Electricity	\$16,500	\$1,375	\$201	
Natural Gas, Oil, Other Fuel	\$2,500	\$208	\$30	
Sewer and Water	\$25,755	\$2,146	\$314	
		\$0		
Taxes / Insurance / Other Expenses				
Real Estate Taxes	\$21,671	\$1,806	\$264	
Payroll Taxes				
Other Taxes and Licenses	\$32,850	\$2,738	\$401	SLO Lease & Demo
Property Insurance	\$31,332	\$2,611	\$382	
Workers Compensation Insurance				
Health Insurance / Other Employee Benefits				
Security	\$11,000	\$917	\$134	
Enrichment Services	\$2,500	\$208	\$30	
TOTAL OPERATING EXPENSES	\$419,291	\$34,941	\$5,113	
Reserve for Replacement Deposit	\$20,500	\$1,708	\$250	
TOTAL EXPENSES PLUS RESERVE	\$439,791	\$36,649	\$5,363	
SUBTOTAL ADMINISTRATIVE EXPENSES	\$159,226	\$13,269	\$1,942	
SUBTOTAL O&M EXPENSES	\$115,957	\$9,663	\$1,414	
SUBTOTAL OWNER PAID UTILITIES	\$44,755	\$3,730	\$546	
SUBTOTAL TAXES / INSURANCE / OTHER	\$99,353	\$8,279	\$1,212	
TOTAL OPERATING EXPENSES	\$419,291	\$34,941	\$5,113	

Sources and Uses of Funds

Enter data in green cells only

Project Name - Farolito Senior Community : 82 Units

In this template, the underwriter enters all proposed Sources of Funds (including HOME) on this tab (other than those that were already entered on the First Mortgage Sizing tab). The Uses of Funds are repeated below (from the Development Costs tab). Then the template verifies whether the Sources and Uses are in balance; be sure that Sources and Uses are balanced before moving forward. If there are insufficient Sources, potential solutions include deferring a greater portion of the developer fee, increasing HOME funding, and obtaining increased funding from some other source. If there are excess Sources, the HOME underwriter should consider reducing the proposed HOME funding.

PJs must perform cost allocation separately from this tool to verify that the proposed amount of HOME funding is within the allowable maximum HOME investment.

Sources of Funds	Amount	HOME?	Comment
First Mortgage Loan (proposed amount)	\$4,200,000	No	
Amortizing Second Mortgage Loan	\$0	0	
HOME	\$4,187,152	Yes	
GAHP General Partner Loan	\$1,000,000	No	
	\$0	0	
	\$0	0	
Deferred Developer Fee	\$1,164,624		
Developer Cash Investment	\$100		
Tax Credit Equity (proposed amount)	\$14,198,124		
Total Sources of Funds	\$24,750,000		

Total HOME Funding \$4,187,152
 Developer Investment for Financial Analysis \$1,164,724 (used in Operating Pro Forma for IRR, etc.)

Uses of Funds / Total Development Cost	Amount	Comment
Acquisition Costs	\$100,000	
Site Work Costs	\$0	
Construction / Rehabilitation Costs	\$19,926,254	
Architectural / Engineering Costs	\$787,914	
Other Owner Costs	\$545,776	
Construction Interest	\$712,498	
Other Interim Financing Costs	\$388,308	
Permanent Financing Costs	\$44,250	
Developer's Fee	\$1,660,000	
Initial Project Reserves	\$400,000	
Project Management Costs	\$185,000	
Other Development Costs	\$0	
Total Uses of Funds	\$24,750,000	

Subsidy layering gap (before HOME funding) \$4,187,152 (Total Uses of Funds minus Total Sources of Funds other than HOME)

Sources and Uses by Month

Enter data in green cells only

Project Name - Farolito Senior Community : 82 Units

Months of Construction

16

Months Const. Loan Outstanding After Completion

7

Development Costs (Uses of Funds)	Total	Initial Closing / First Draw	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Acquisition Costs								
Land	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
Existing Structures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Site Work Costs (not included in construction contract)								
Demolition/Clearance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Site Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction / Rehabilitation Costs (construction)								
Site Work Included in Construction Contract	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Construction	\$15,338,337	\$0	\$958,646	\$958,646	\$958,646	\$958,646	\$958,646	\$958,646
Rehabilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Requirements	\$873,888	\$0	\$54,618	\$54,618	\$54,618	\$54,618	\$54,618	\$54,618
Builder's Overhead	\$291,296	\$0	\$18,206	\$18,206	\$18,206	\$18,206	\$18,206	\$18,206
Builder Profit	\$873,888	\$0	\$54,618	\$54,618	\$54,618	\$54,618	\$54,618	\$54,618
Performance Bond Premium	\$189,100	\$189,100	\$0	\$0	\$0	\$0	\$0	\$0
Construction Contingency	\$945,298	\$0	\$59,081	\$59,081	\$59,081	\$59,081	\$59,081	\$59,081
Gross Receipts Tax	\$1,339,447	\$0	\$83,715	\$83,715	\$83,715	\$83,715	\$83,715	\$83,715
Security & Access Control	\$75,000	\$0	\$4,688	\$4,688	\$4,688	\$4,688	\$4,688	\$4,688
Architectural and Engineering Fees								
Architect Fee -- Design	\$584,867	\$584,867	\$0	\$0	\$0	\$0	\$0	\$0
Architect Fee -- Construction Supervision	\$101,060	\$0	\$6,316	\$6,316	\$6,316	\$6,316	\$6,316	\$6,316
Engineering Fees	\$50,000	\$0	\$3,125	\$3,125	\$3,125	\$3,125	\$3,125	\$3,125
LEED Certification	\$51,987	\$0	\$3,249	\$3,249	\$3,249	\$3,249	\$3,249	\$3,249
Other Owner Costs								
Protect Consultant Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Attorney Fees (initial closing)	\$35,000	\$35,000	\$0	\$0	\$0	\$0	\$0	\$0
Owner Attorney Fees (final closing)	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Syndication Costs	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0
Other Owner Organizational Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Market Study	\$6,000	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0
Survey	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appraisal Fees	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0
Environmental Studies	\$15,800	\$15,800	\$0	\$0	\$0	\$0	\$0	\$0
Capital Needs Assessment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tap Fees and Impact Fees	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Building Permits and Fees	\$112,459	\$112,459	\$0	\$0	\$0	\$0	\$0	\$0
Tax Credit Fees	\$125,767	\$125,767	\$0	\$0	\$0	\$0	\$0	\$0
Soft Cost Contingency	\$25,000	\$0	\$1,563	\$1,563	\$1,563	\$1,563	\$1,563	\$1,563
Special Inspections	\$60,000	\$60,000	\$0	\$0	\$0	\$0	\$0	\$0
Tax Credit Application Fee	\$750	\$750	\$0	\$0	\$0	\$0	\$0	\$0
Interim Financing Costs (excluding interest)								
Construction Period Insurance	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
Construction Period Taxes	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction Interest is Calculated Below								
Construction Loan Origination Fee	\$105,583	\$105,583	\$0	\$0	\$0	\$0	\$0	\$0
Construction Loan Legal Fees	\$25,000	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0
Other Construction Loan Fees	\$2,500	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0
Bond Costs of Issuance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Title and Recording Costs (for the construction loan)	\$115,225	\$115,225	\$0	\$0	\$0	\$0	\$0	\$0
Construction Lender Inspections	\$30,000	\$0	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Permanent Financing Costs								
Credit Report	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lender Origination / Financing Fee	\$27,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lender's Counsel Fee	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Lender Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Title and Recording Costs (for permanent financing)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Establish Tax and Insurance Escrows	\$14,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer's Fee	\$1,660,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Project Reserves								
Initial Rent-Up Reserve (not HOME eligible)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Operating Reserve (HOME-eligible portion)	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Debt Service Reserve (not HOME eligible)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Replacement Reserve (not HOME eligible)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Project Name - Farolito Senior Community : 82 Units

Project Administration and Management Costs								
Marketing/Management	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Furniture, Fixtures & Equipment	\$85,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenant Relocation Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Development Costs								
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Development Costs (TDC)	\$24,017,502	\$1,598,051	\$1,249,825	\$1,249,825	\$1,249,825	\$1,249,825	\$1,249,825	\$1,249,825
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TDC Excluding Construction Interest	\$24,017,502	\$1,598,051	\$1,249,825	\$1,249,825	\$1,249,825	\$1,249,825	\$1,249,825	\$1,249,825
--------------------------------------------	--------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------

Sources of Funds	Total	Initial Closing / First Draw	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
First Mortgage Loan (proposed amount)	\$4,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Amortizing Second Mortgage Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HOME	\$4,187,152	\$0	\$718,057	\$1,249,825	\$1,249,825	\$550,730	\$0	\$0
GAHP General Partner Loan	\$1,000,000	\$0	\$0	\$0	\$0	\$144,507	\$855,493	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Developer Fee	\$1,164,624	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Cash Investment	\$100	\$100	\$0	\$0	\$0	\$0	\$0	\$0
Tax Credit Equity (proposed amount)	\$14,198,124	\$1,597,951	\$531,768	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Sources Before Construction Loan	\$24,750,000	\$1,598,051	\$1,249,825	\$1,249,825	\$1,249,825	\$695,237	\$855,493	\$0
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Construction Loan Draw Needed (Before Interest)	\$0	\$0	\$0	\$0	\$0	\$554,588	\$394,332	\$1,249,825
--------------------------------------------------------	-----	-----	-----	-----	-----	-----------	-----------	-------------

Construction Loan Beginning Balance		\$0	\$0	\$0	\$0	\$0	\$556,425	\$955,750
Plus This Draw		\$0	\$0	\$0	\$0	\$554,588	\$394,332	\$1,249,825
Plus Interest (Total Interest at immediate right)	\$706,631	\$0	\$0	\$0	\$0	\$1,837	\$4,993	\$10,472
Equals Ending Balance		\$0	\$0	\$0	\$0	\$556,425	\$955,750	\$2,216,047

Construction interest estimate from Development Costs tab	\$712,498
-----------------------------------------------------------	-----------

Construction interest estimate from detailed Sources and Uses By Month	\$706,631
------------------------------------------------------------------------	-----------

Construction interest calculated above is 99.2% of the Construction Interest estimate from Development Costs tab.

Exhibit F

Schedule of City Grant and Grant Payback Schedule

Source of Fund	Amount	Forgiven
City HOME Funds	\$4,187,152	End of Affordability Period

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Exhibit G

Project Development Schedule

Construction Schedule

Enter data in green cells only

Project Name - Farolito Senior Community : 82 Units

The HOME Final Rule's definition of *commitment* specifies that if a project includes rehabilitation or new construction, a construction schedule is required at or before the time of the commitment. Additionally, construction must be scheduled to start within twelve months after the commitment date, and construction must be scheduled to be completed within four years after the commitment date.

				Total	Per Unit	
Intended HOME Commitment Date	March 10, 2023			\$16,079,291	\$196,089	Hard cost before contingency
Initial Closing Date	December 1, 2023			\$900,860	\$10,986	5.6% Hard cost contingency
Construction Start Date	January 2, 2024	9.8	months after HOME Commitment Date	\$1,264,390	\$15,419	7.9% GR / BO / BP
Other construction milestone #1				\$400,000	\$4,878	Initial reserves
Other construction milestone #2				\$3,940,497	\$48,055	Soft costs before contingency
Other construction milestone #3				\$25,000	\$305	0.6% Soft cost contingency
Other construction milestone #4				\$1,660,000	\$20,244	8.3% Developer fee (gross)
First Building Completion Date	March 1, 2025			\$24,270,038	\$295,976	Total Uses of Funds
Last Building Completion Date	March 1, 2025	13.9	months construction time			
		23.7	months after HOME Commitment Date			
Achievement of Sustaining Occupancy	July 1, 2025	4.0	months lease-up time			
Closing of Permanent Financing	October 1, 2025	7.0	months after construction completion			
Below, please include any comments about the construction schedule						
We are estimating 14 months of construction, four months leaseup and stabilization 3 month after 100% occupancy.						

Budgeted construction cost is \$196,089 per unit. Budgeted hard cost contingency is 5.6% of hard cost.

Budgeted soft costs are \$48,055 per unit. Budgeted soft cost contingency is 0.6% of soft cost.

The budgeted developer fee is \$20,244 per unit before any deferral. This is 8.3% of total hard cost + total soft cost.

Exhibit H
Request for City Grant Disbursement

City of Albuquerque
Department of Health, Housing & Homelessness
Financial Status Report and Request for Reimbursement

1. Agency Name and Mailing Address:		2. Telephone Number:
3. Project Title:	4. Contract Number:	5. Request Number:
6. Name of Contact Person:	7. Request for the Period : From: _____ To: _____	8. Billing Date:

9. Financial Expenditure Category	Approved Budget	Amount of this Request	Total Requests to Date	Balance Remaining	Matching Funds Expended to Date
Salaries and Wages					
Payroll Taxes & Employee Benefits					
Contractual Services					
Audit Costs					
Consumable Supplies					
Telephone					
Postage Shipped					
Occupancy: Rent					
Occupancy: Utilities					
Occupancy: Other					
Equipment Lease					
Equipment Maintenance					
Printing and Publication					
Travel: Local					
Travel: Out-of-Town					
Conferences, Meetings					
Assistance/Beneficiaries					
Membership Dues					
Equipment, Land, Buildings					
Insurance					
Indirect Costs					

Greater Albuquerque Housing Partnership
Farolito Senior Community
HOME \$4,187,152 Grant
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Total					
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10. Certification: I hereby certify that the funds for which reimbursement is being herein requested have been or will be utilized to provide services to the Community Development Project described in the Agreement executed between the City of Albuquerque and the above named agency which I represent and I further certify that the amount requested herein is true and just, that payment has not been received, and that (1) this Reimbursement Request represents expenditures incurred and eligible under applicable local, state and Federal regulations; (2) that said expenditures are supported by vendor's invoices and other documented liabilities in our records; and (3) funds received as a result of the Request will be expended within three (3) working days.

a. Signature of Authorized Official	b. Title
b. Typed Name	d. Date

Instructions for Completing Financial Status Report and Request for Reimbursement

1. Enter the name and mailing address of the agency submitting the report.
 2. Enter the telephone number of the agency.
 3. Enter the title of the City-funded project for which reimbursement is being requested.
 4. Enter the contract number assigned to the project by the City.
 5. For each contract. Requests for Reimbursement must be numbered sequentially, with the first request numbered "1" and so on for succeeding requests. Enter the number of this request.
 6. Enter the name of a contact person at the agency from whom information about the request may be obtained.
 7. Enter the starting date and ending date of the period for which reimbursement is being requested.
 8. Enter the date that the request will be submitted to the City.
 9. In the column headed "Approved Budget," enter the amounts for each line item in the most recent project budget approved by the City.
- In the column headed "Amount of this Request," enter the amount of the reimbursement requested for each line item in the approved budget. In the column headed "Total Requests to Date," enter the sum of this request and all previous reimbursements paid by the City for each line item in the approved budget. In the column headed "Other Funds Expended to Date," enter the amounts of matching funds or program income applied to the project expended for each line item, if such funds are required under the terms of the contract.
10. An authorized official of the agency must certify that funds were used according to City requirements.
 - 10a. The official must sign to certify the Financial Status Report.
 - 10b. Enter the typed title of the official signing the Financial Status Report.
 - 10c. Enter the typed name of the official.
 - 10d. Enter the date the official signed the Report.

Exhibit I

Greater Albuquerque Housing Partnership

FAROLITO SENIOT COMMUNITY

RESTRICTIVE REAL ESTATE COVENANTS

Made in Albuquerque, New Mexico

Date_____

These Restrictive Real Estate Covenants (the “Covenants”) are made by The **Greater Albuquerque Housing Partnership**, a non-profit corporation (“Owner”) in favor the of the City of Albuquerque whose address is One Civic Plaza, Albuquerque, New Mexico, 87102, Post Office Box 1293, Albuquerque, NM, 87103, a municipal corporation (“City”), and shall run with the land until the end of the Affordability Period (as defined herein) unless earlier modified or released by the City.

1. Recitals

A. The Owner is the owner in fee simple of that certain real estate (“Real Property”) in Bernalillo County New Mexico, which is located in Albuquerque, NM and whose legal description is:

Parcel A as sown on the Boundary Survey of Tract C, Video Addition and Parcels of Land Owned by the State of New Mexico Situated Within the NW1/4 NW1/4 Sec.28,T10N, R4E, NMPM, April 2016, recorded with the County Clerk of Bernalillo County on February 12, 2020 as Doc. No. 2020013489, containing 2.2856 acres, more or less.

B. For consideration for the assistance given by the City for the benefit of the Owner, the Owner has agreed to restrictions on the use and rental of the Property in order to implement the Project. The Property shall be used only for the Project. The Project, named **Farolito Senior Community**, will be located at 10501 Central Avenue NE, as legally described in Exhibit B (hereinafter referred to as the “Real Property”). The Project shall consist of the construction and management of the four-story, multi-family building, including common space, landscaping, access, parking lots and grounds located on the aforementioned Real Property. The Project includes the construction of 82 residential units for seniors age 55 and older on land owned by the New Mexico State Land Office, which will be leased by the project for a minimum term of 60 years. The development will contain seventy-two (72) 1-bedroom and ten (10) 2-bedroom rental housing units, and common space totaling approximately 76,675 heated square feet. Of the 82 units, 13 units shall be for households at or below 80% AMI, 28 units shall be for households at or below 60% of AMI, 16 units shall be for households at or below 50% AMI, and 25 units shall be for households at or below 30% AMI. The Project shall remain an affordable rental housing project, abiding by the High HOME and Low HOME rents for the 20-year HOME Affordability Period, as more fully provided elsewhere in this Agreement.

Greater Albuquerque Housing Partnership
Farolito Senior Community
HOME \$4,187,152 Grant
2023

2. Definitions

“Act” means the Federal National Affordable Housing Act of 1990/HOME Investment Partnerships Program.

“Affordability Period” means the period commencing on the date of these covenants and ending on the date that is twenty (20) years from the completion of the Project in HUD’s Integrated Disbursement Information System (IDIS) for the contribution of HOME funds.

“AMI” means Area Median Income which is the annual income figure for a specific geographic area which is determined annually by the U.S. Department of Housing and Urban Development and adjusted for family size.

“HOME Investment Partnerships Program” means the programs authorized by the Act of the federal U.S. Department of Housing and Urban Development that provides funds for the City of Albuquerque in support of affordable housing development.

“HOME Assisted Unit” means that residential unit, which either directly, or indirectly, has received financial assistance for acquisition and/or construction from funds authorized in the Act.

“Program Income” means that portion of income generated from the Project subject to the requirements of 24 CFR Part 92 for HOME funded projects and the Workforce Housing Regulations for Workforce Housing Trust funded projects.

“Project” means the construction of the residential units upon the Property, including Buildings, related on-site and off-site improvements, equipment and related rights therein.

“Utility Allowance” is the amount established by a schedule that is appropriate for a specific rent to cover the cost of utilities that are paid to the utility company as approved by the City.

3. Restrictive Covenants

A. Use of Property. During the Affordability Period, the Property shall be used as and only for the Project. The Project, named **Farolito Senior Community**, will be located at 10501 Central Avenue NE, as legally described in Exhibit B (hereinafter referred to as the “Real Property”). The Project shall consist of the construction and management of the four-story, multi-family building, including common space, landscaping, access, parking lots and grounds located on the aforementioned Real Property. The Project includes the construction of 82 residential units for seniors age 55 and older on land owned by the New Mexico State Land Office, which will be leased by the project for a minimum term of 60 years. The development will contain seventy-two (72) 1-bedroom and ten (10) 2-bedroom rental housing units, and common space totaling approximately 76,675 heated square feet. Of the 82 units, 13 units shall be for households at or below 80% AMI, 28 units shall be for households at or below 60% of AMI, 16 units shall be for households at or below 50% AMI, and 25 units shall be for households at or below 30% AMI. The

Greater Albuquerque Housing Partnership
Farolito Senior Community
HOME \$4,187,152 Grant
2023

Project shall remain an affordable rental housing project, abiding by the High HOME and Low HOME rents for the 20-year HOME Affordability Period, as more fully provided elsewhere in this Agreement.

B. Income Qualifications. The Owner shall determine the annual income of a household occupying or seeking to occupy affordable units, in accordance with 24 CFR §5.609. The income of an affordable household shall not exceed eighty percent (80%) of the City's median income. The Owner shall determine whether the annual income of household(s) occupying or seeking to occupy affordable units, exceeds the applicable income limit prior to admission of the household(s) to occupancy, and then annually thereafter.

C. Rent Determination.

(1) Rents charged occupants of the affordable units must be the lesser of the fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR §888.111; or a rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the median income for the areas, as determined by HUD, with adjustment for number of bedrooms in the unit.

(2) The rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.

(3) The Owner shall ensure that each household occupying the affordable units will have an executed lease with the Owner in compliance with 24 CFR §92.253. The term of any lease shall be for a period of twelve (12) months, unless such time period is waived in writing for a compelling reason by the household seeking occupancy. The City in its discretion may determine whether a reason is compelling.

(4) **The following is the breakdown of the Twenty-two (22) "floating" HOME-assisted units:**

(a) Initial gross rents (rent plus tenant paid utility costs) for a maximum of **Seventeen (17) HOME-assisted units** shall comply with **High HOME** rents (as updated by HUD) and shall not exceed the rents published by HUD, based on bedroom size.

(b) Initial gross rents (rent plus tenant paid utility costs) for the remaining **Five (5) HOME assisted units** shall comply with **Low HOME** rents (as updated by HUD) and shall not exceed the rents published by HUD, based on bedroom size.

(5) Any rent increases of the affordable units must be approved in writing by the City prior to implementation. If utilities are not included in the rent, an allowance must be made using the City's established utility allowance.

(6) HOME assisted units continue to qualify as affordable housing despite a temporary noncompliance caused by increases in the income of existing tenants, if actions are

being taken to ensure that a vacancy is filled in accordance with subsection 3B. above, until the noncompliance is corrected.

(7) In the event a tenant's income exceeds 80% of median income following initial occupancy, the tenant must pay 30% of tenant's adjusted income as rent, or the market rate for the neighborhood, whichever is less.

(8) The Owner shall ensure that each household occupying the HOME assisted units will have an executed lease with the Owner in compliance with 24 CFR §92.253.

4. Crime Free Multi-Housing Program. The Owner shall insure that the property manager for the facility participates in the Albuquerque Police Department's Crime Free Multi-Housing Program and obtains program certification within one year of execution of this Agreement. City shall be notified by Owner if facility is in jeopardy of losing its Crime Free Multi-Housing Certification. Failure to obtain the program certification, or revocation of the certification from the facility manager, shall constitute default of this Agreement.

5. Maintenance Reserve Fund. The Owner shall establish a maintenance reserve fund for the Project in an amount not less than Three Hundred Dollars (\$300.00) per unit per annum from the date of acceptance of the Certificate of Occupancy issued by the City of Albuquerque until the completion of the Affordability Period.

6. Encumbrances. The Owner covenants and agrees that it shall not refinance, mortgage, suffer or allow the creation of a lien, nor otherwise encumber the Real Property, without the prior written consent of the City, which consent shall not be unreasonably withheld or delayed, as determined in the City's sound governmental judgment in compliance with all applicable laws and ordinances.

7. Property Standards Requirements. The project will meet all Housing Quality Standards, or other physical property standards regulated by HUD, and local building code requirements, and allow the City to inspect the property, for the duration of the Covenants.

8. Monitoring/Reporting Requirements.

A. The Owner shall report, in writing, at least quarterly during the construction and lease-up phases of the Project. The quarterly report shall include the process of construction as a percentage complete, construction funds expended with remaining balance, and number of units completed.

B. The City, at its discretion, may require a reasonable administrative fee from the Owner for the purpose of monitoring the project.

C. Income received from the rental of affordable units, if funded by HOME, shall be considered Program Income and must comply with 24 CFR §92.503. A Program Income report detailing the uses of Program Income for the reporting period, will be provided by the Owner

within thirty (30) days after the close of the quarter until the terms of this Agreement have been met.

D. The Owner shall report annually within 90 days of the close of the Owner's fiscal year until the terms of this Agreement have been met. The report shall include, but not be limited to, the financial statements for the Project, Income and Expense Statement for the Project, a Program Income budget, if applicable, the proposed uses of Program Income for the forthcoming year, and a certified rent roll showing household size, ethnicity, race, whether the occupant is female head of household, date of execution of the occupants' current lease, adjusted gross income and rental rates.

E. At any time during normal business hours and as often as the City and/or the appropriate funding entity may deem necessary, there shall be made available to the City for examination, all of the Owner's records with respect to all matters covered by this Agreement. The Owner shall permit the City and/or the appropriate funding entity to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Development Agreement.

9. Term. The Owner's obligations designated herein are to commence upon the execution of this Restrictive Real Estate Covenants by the last party to sign ("Commencement Date"), and shall be undertaken and completed in such sequence as to assure their expeditious completion in light of the purposes of this Development Agreement but, in any event, the Project and all of the services required hereunder in connection with the Project shall be continued until the expiration of the Affordability Period. If the Owner can provide sufficient credible evidence that the building placed on the Project's land is functionally obsolete or has reached the end of its useful life and financing the redevelopment of the building as an affordable housing project is not economically feasible, the City's governing body may approve the demolition of the building. A new building shall be built upon the Project's land that shall at a minimum include the same affordability requirements as specified in the original agreement.

10. Covenants Running with Property. These Restrictive Real Estate Covenants shall be and constitute covenants running with the Property during the Affordability Period and shall be enforceable by the City by legal and equitable action, including an action for injunctive relief.

11. Binding Effect. Upon execution of this Agreement by the Owner, these terms, conditions and covenants under this Agreement shall be binding and inure to the benefit of the parties and their representative.

12. Construction and Severability. If any part of these Restrictive Real Estate Covenants are held to be invalid or unenforceable, the remainder of the Restrictive Real Estate Covenants will remain valid and enforceable if the remainder is reasonably capable of completion.

Signed on this _____ day of _____, 2023

THE GREATER ALBUQUERQUE HOUSING
PARTNERSHIP
a New Mexico nonprofit corporation

By: _____

Name: _____
Its: Authorized Agent

STATE OF NEW MEXICO)
) SS
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on ____day of _____, 2023, by
_____ of The Greater Albuquerque Housing Partnership, a New
Mexico nonprofit corporation.

Notary Public

My Commission Expires:

Exhibit J

COLLATERAL ASSIGNMENT OF PROMISSORY NOTE AND MORTGAGE

THIS COLLATERAL ASSIGNMENT OF PROMISSORY NOTE AND MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT (this "Assignment"), dated _____, 2023, is made by THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP, a New Mexico non-profit corporation ("Assignor"), in favor of the CITY OF ALBUQUERQUE, a New Mexico municipal corporation, organized and existing under its charter and the Constitution and laws of the State of New Mexico ("Assignee").

Recitals

1. Assignor is an affiliate of FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability company ("Owner"), and a sponsor of the development of the real property located in Albuquerque, New Mexico, more particularly described in Exhibit A, attached hereto and incorporated herein (the "Property"), into an affordable housing community known as the Farolito Senior Community Project (the "Project").

2. Pursuant to the Development Agreement dated _____, 2023 (the "Development Agreement"), Assignee granted \$4,187,152 of funds to Assignor (the "City Grant"), and Assignor will loan, as of the date hereof, such funds to Owner for the construction and development of the Project (the "Loan").

3. Owner executed the Promissory Note of even date herewith in the principal amount of \$4,187,152 to evidence the Loan, payable to Assignor (the "City Note").

4. The Note is secured by the Mortgage, Assignment of Rents, and Security Agreement of even date herewith for the benefit of the Assignor, recorded in the real property records of the County of Bernalillo, New Mexico (the "City Mortgage"), encumbering title to the Property.

5. Assignor now desires to assign its rights under the Note and the Mortgage to Assignee in order to secure Owner's performance of its obligations under the Development Agreement and the Restrictive Real Estate Covenants, dated _____, 2023 (the "Restrictive Covenants").

Assignment

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor, subject to the limitation set forth below, hereby grants, bargains, sells, conveys, assigns, transfers and sets over unto Assignee all of Assignor's rights in the City Note and the City Mortgage, including without limitation, all monies now owing or that may hereafter become due or owing with respect to the City Note and the full benefit of all the powers, covenants and provisos contained in the City Note and the City Mortgage.

Assignor represents and warrants that, as of the date hereof, there have been no amendments or modifications, either oral or written, to the City Note or the City Mortgage, and that none of the Property has been released from the lien of the City Mortgage. Assignor further represents and warrants that (i) there has been no prior assignment of Assignor's rights under the City Note or the City Mortgage, and Assignor will make no other assignment thereof; and (ii) Assignor has good right to assign its rights under the City Note and City Mortgage, and to grant the rights herein granted; and (iii) neither the City Note nor the City Mortgage will be amended or reassigned without Assignee's prior written consent, which consent will not be unreasonably withheld or delayed.

In the event of a default of the Loan, Assignor covenants and agrees to do all things reasonably necessary to give effect to the intent of this Assignment, including but not limited to, immediately furnishing to Assignee copies of all notices of default relating to the Loan, executing any other documents necessary or reasonably requested to protect the interest of Assignee and to confirm the existence of this Assignment and, if necessary, to join with Assignee in asserting any claims against Owner, its successors and assigns, as the maker of the City Note, and to remit any proceeds collected thereafter on the City Note and the City Mortgage to Assignee.

This is a collateral assignment securing any obligation to repay the City Grant under the Development Agreement or the Restrictive Covenants. The Owner and Assignor shall be jointly and severally liable to the Assignee to perform all terms and conditions of the Development Agreement. Notwithstanding anything to the contrary in this Assignment, so long as there is not an event of default beyond all applicable notice and cure periods under the City Note or the City Mortgage (including an event of default arising from Owner's failure to comply with the Restrictive Covenants or the Development Agreement), Assignor will be entitled to retain all payments received in connection with the Note, and Assignee will have no right whatsoever to exercise any of its rights under this Assignment until Assignee has declared an event of default of the Loan as provided in the City Note and the City Mortgage.

Assignor agrees that Assignee may enforce Assignor's rights with respect to the City Note and the City Mortgage upon any event of default (after the expiration of all applicable notice and cure periods) occasioned by the failure of Owner to comply with the covenants set forth in the City Note or the City Mortgage, and in particular, in the event of any failure to comply with the Restrictive Covenants or the Development Agreement.

Failure or delay on the part of Assignee to exercise any of its rights hereunder will not operate as a waiver of such rights unless so agreed in writing by Assignee, nor will any single or partial exercise by Assignee of any of its rights hereunder preclude the exercise of any other rights hereunder, and the waiver by Assignee of any default by Assignor hereunder will not constitute a continuing waiver or a waiver of any other default or of the same default on any future occasion.

This Assignment and the covenants contained herein will inure to the benefit and be binding upon the successors and assigns of the respective parties hereto.

EXECUTED as of the date first set forth above.

THE GREATER ALBUQUERQUE HOUSING
PARTNERSHIP, a New Mexico nonprofit corporation

By: FELIPE RAEL
Its: Executive Director

[illegible]

This instrument was acknowledged before me on _____ day of _____, 2023, by Felipe Rael as Executive Director of THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP, a New Mexico nonprofit corporation.

Notary Public

My Commission Expires:_____

The undersigned consents to the assignment of the Note and the Mortgage as set forth above as collateral for the Funds Grant, and to the rights granted to Assignee thereby.

FAROLITO APARTMENTS LIMITED
PARTNERSHIP LLLP, a New Mexico limited
liability limited partnership

By: FAROLIO SENIOR LLC, a New Mexico
limited liability company, General Partner

By: THE GREATER
ALBUQUERQUE HOUSING
PARTNERSHIP, Manager

By: _____
Felipe Rael, Executive Director

STATE OF NEW MEXICO)
) ss:
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on the ____ day of _____, 2023, by Felipe Rael, Executive Director of THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP, Manager of FAROLIO SENIOR LLC, General Partner of FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability limited partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

My commission expires: _____

Exhibit K

AGREEMENT TO ASSUME RIGHTS AND RESPONSIBILITIES

THIS AGREEMENT is entered into by and between the CITY OF ALBUQUERQUE, Albuquerque, New Mexico, a municipal corporation, (hereinafter City), FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability limited partnership (hereinafter Developer or Assignee), and GREATER ALBUQUERQUE HOUSING PARTNERSHIP, a New Mexico nonprofit corporation, or (hereinafter Assignor), on the ____ day of _____, 2023. City, Developer, and Assignor are sometimes hereinafter referred to collectively as the Parties and individually as a Party.

RECITALS:

WHEREAS, the City has determined by Resolution adopted September 21, 1992, Enactment No. 134-1994, that a serious shortage of decent, safe, sanitary and affordable residential housing exists in the City of Albuquerque; and

WHEREAS, the Project, named **Farolito Senior Community**, will be located at 10501 Central Avenue NE, as legally described in Exhibit B (hereinafter referred to as the "Real Property"). The Project shall consist of the construction and management of the four-story, multi-family building, including common space, landscaping, access, parking lots and grounds located on the aforementioned Real Property. The Project includes the construction of 82 residential units for seniors age 55 and older on land owned by the New Mexico State Land Office, which will be leased by the project for a minimum term of 60 years. The development will contain seventy-two (72) 1-bedroom and ten (10) 2-bedroom rental housing units, and common space totaling approximately 76,675 heated square feet. Of the 82 units, 13 units shall be for households at or below 80% AMI, 28 units shall be for households at or below 60% of AMI, 16 units shall be for households at or below 50% AMI, and 25 units shall be for households at or below 30% AMI. The Project shall remain an affordable rental housing project, abiding by the High HOME and Low HOME rents for the 20-year HOME Affordability Period, as more fully provided elsewhere in this Agreement.

WHEREAS, the Developer has the necessary construction, and marketing expertise to develop and market the Project; and

WHEREAS, the Developer has been awarded a Low-Income Housing Tax Credit (LIHTC) allocation from the New Mexico Mortgage Finance Authority (hereinafter "MFA") which will reduce the overall cost of the Project; and

WHEREAS, in order to obtain the benefits of LIHTCs and other tax benefits, the Project will be owned by FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, whose sole general partner is the Assignor; and

WHEREAS, the City entered into that certain Development Agreement dated _____, 2023, with the Assignor under which the City agreed to advance no more than **Four Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$4,187,152.00)**, to construct the Project.

NOW THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the Parties formally covenant and agree as follows:

1. The Developer shall assume all contractual rights and responsibilities previously assigned by the Assignor in the Development Agreement, which agreement is attached hereto and incorporated herein by reference; in particular, but not limited to, the Developer shall:

- A. Implement all Project activities as described in said Development Agreement and shall execute such documents in its own name.
- B. Adhere to all Restrictive Covenants contained in said Development Agreement and shall execute such documents in its own name.

The Assignor agrees to remain jointly and severally liable for such contractual rights and responsibilities under the Development Agreement.

2. Approval Required: This Agreement shall not become effective or binding until approved by the highest approval authority required by the City under this Agreement.

IN WITNESS WHEREOF, the City, Developer and the Assignor have executed this Agreement as of the date first above written.

CITY:

CITY OF ALBUQUERQUE

By _____
Samantha Sengel
Chief Administrative Officer

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

On this _____ day of _____, 2023, before me personally appeared Samantha Sengel, Chief Administrative Officer of the CITY OF ALBUQUERQUE, a New Mexico municipal corporation, on behalf of the City.

My Commission Expires:

Notary Public

Greater Albuquerque Housing Partnership
Farolito Senior Community
HOME \$4,187,152 Grant
2023

DEVELOPER:

FAROLITO APARTMENTS LIMITED
PARTNERSHIP LLLP, a New Mexico limited
liability limited partnership

By: FAROLITO SENIOR LLC, a New Mexico
limited liability company, General Partner

By: THE GREATER
ALBUQUERQUE HOUSING
PARTNERSHIP, Manager

By: _____
Felipe Rael, Executive Director

[illegible]

This instrument was acknowledged before me on the ____ day of _____, 2023, by Felipe Rael, Executive Director of THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP, Manager of FAROLITO SENIOR LLC, General Partner of FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability limited partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

My commission expires: _____

ASSIGNOR:

THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP

By: _____
FELIPE RAEL, Executive Director

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

On this _____ day of _____, 2023, before me personally appeared FELIPE RAEL, the Executive Director of THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP, and acknowledged that he executed the same as his free act and deed on behalf of the THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP.

My Commission Expires:

Notary Public



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

11/29/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Daniels Insurance, Inc.-Albq. 320 Gold Avenue SW, Ste 700 Albuquerque NM 87102	CONTACT NAME: David Tinley PHONE (A/C. No. Ext): (505) 766-9676 FAX (A/C. No): (505) 766-9679 E-MAIL ADDRESS: tspence@danielsinsuranceinc.com												
INSURER(S) AFFORDING COVERAGE													
INSURED The Greater Albuquerque Housing Partnership 320 Gold Ave SW Suite 918 Albuquerque NM 87102 (505) 244-1614	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">INSURER A: Trisura Specialty Insurance Co</td> <td style="width: 20%;">NAIC # 16188</td> </tr> <tr> <td>INSURER B: Philadelphia Indemnity Insuran</td> <td>18058</td> </tr> <tr> <td>INSURER C: New Mexico Commercial Insuranc</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER A: Trisura Specialty Insurance Co	NAIC # 16188	INSURER B: Philadelphia Indemnity Insuran	18058	INSURER C: New Mexico Commercial Insuranc		INSURER D:		INSURER E:		INSURER F:	
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INSURER B: Philadelphia Indemnity Insuran	18058												
INSURER C: New Mexico Commercial Insuranc													
INSURER D:													
INSURER E:													
INSURER F:													

COVERAGES

TS

CERTIFICATE NUMBER: Cert ID 36979 (1)

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: </div> <div> <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY </div> </div>			PHPK2626830	11/17/2023	11/17/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Empl Benefits Liab \$ 1,000,000
B	<input type="checkbox"/> AUTOMOBILE LIABILITY <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY </div> <div> <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY </div> </div>			PHPK2626830	11/17/2023	11/17/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <div style="display: flex; justify-content: space-between;"> <div> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000 </div> <div> <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY </div> </div>			PHUB890116	11/17/2023	11/17/2024	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	19500.126	11/17/2023	11/17/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
B	Crime			PHPK2626830	11/17/2023	11/17/2024	Employee Theft \$
B	Crime			PHPK2626830	11/17/2023	11/17/2024	ERISA Aggregate \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

General and Auto liability policies contain a Blanket Additional Insured provision that establishes the scope of Additional Insured coverage granted to the Certificate Holder. Where permitted by state law, and per a Blanket Waiver of Subrogation Endorsement, the Insurer waives its right to subrogate against the Certificate Holder by reason of payments made under the General and Auto liability and Workers' Compensation policies but only under the circumstances stated in the policies. Policies contain a 30 Day Notice of Cancellation 10 days for non-payment of premium provision that establishes the scope of Notice granted to the Certificate Holder. Umbrella/Excess Liability follows form. The City of Albuquerque is afforded a 30 Day Notice of Cancellation.

CERTIFICATE HOLDER**CANCELLATION**

Director, Risk Management Department City of Albuquerque PO Box 1293 Albuquerque NM 87103	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
----------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

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ACORD 25 (2016/03)

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Request for Supplier Information

Substitute Form

W9

 Department of Finance and
 Administrative Services

SECTION 1: CONTACT INFORMATION AND TAXPAYER IDENTIFICATION NUMBER

NAME (as shown on your income tax return). Name is required on this line; do not leave this line blank.

Greater Albuquerque Housing Partnership

BUSINESS NAME/ disregarded entity name, if different from above.

PRIMARY ADDRESS (number, street, and apt or suite no)

320 Gold Ave. SW #918

REMITTANCE ADDRESS (number, street, and apt or suite no)

320 Gold Ave. SW #918

CITY, STATE, and ZIP CODE

Albuquerque, NM 87102

REMITTANCE CITY, STATE, and ZIP CODE

Albuquerque, NM 87102

PHONE

505-244-1614

EMAIL ADDRESS

felipe@abqgahp.org

SOCIAL SECURITY NUMBER

OR

EMPLOYER IDENTIFICATION NUMBER

New Mexico CRS TAX ID (if applicable)

 - -
 -
 -

TAX CLASSIFICATION (check only one)

☐ INDIVIDUAL/SOLE PROPRIETOR or single-member LLC

☐ C CORPORATION

☐ S CORPORATION

☐ PARTNERSHIP

☐ TRUST/ESTATE

☐ LIMITED LIABILITY COMPANY-- Enter the tax classification (C=C Corporation, S=S Corporation, P=Partnership)

Note: For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single- member owner.

☒ 501(C)3/NON-PROFIT ORGANIZATION

☐ OTHER (SEE INSTRUCTIONS)

EXEMPTIONS (codes apply to certain entities, not individuals; see instructions)

EXEMPT PAYEE CODE (if any)

EXEMPTION FROM FATCA REPORTING CODE (if any)

SECTION 2: BUSINESS DEMOGRAPHICS (CHECK ALL THAT APPLY)

☒ **Local Business** - Headquartered and maintains its principal office and place of business within the Greater Albuquerque Metropolitan Area (City of Albuquerque or Bernalillo County).

☐ **Doing Business Locally** - Either not headquartered or does not maintain its principal office and place of business here, but maintains a storefront in the Greater Albuquerque Metropolitan Area and employs one or more City of Albuquerque or Bernalillo County residents.

☐ **Woman Owned Business** - At least 51% owned and controlled by one or more women, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more women.

☐ **Minority Business Enterprise (MBE) Owned** - At least 51% owned and controlled by one or more racial/ethnic minorities or, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more racial/ethnic minorities. Please specify the race/ethnicity of minority owners (question to the right).

☐ **LGBTQ+ Owned Business** - At least 51% owned and controlled by one or more LGBTQ+ individuals, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more LGBTQ+ individuals.

☐ **None of the Above Categories Apply**

If your business is MBE-owned, please specify the race/ethnicity of minority owner(s). Check all that apply:

☐ Hispanic American

☐ Native American

☐ Black or African American

☐ Asian-Indian American

☐ Asian-Pacific American

SECTION 3: PURCHASE ORDERS (COMPLETE ONLY IF YOU ACCEPT POs)

ELECTRONIC POs AND INVOICES (select one)

☐ Transcepta (preferred method)

☐ Email

PO CONTACT INFORMATION

FULL NAME

EMAIL ADDRESS

SECTION 4: CERTIFICATION

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined in the instructions); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN.

The Internal Revenue Service does not require your consent to any provision on this document other than the certifications required to avoid backup withholding.

SIGNATURE of U.S. person

Rita Gonzalez

 DATE **December 7, 2023**

PRINT NAME

Rita Gonzalez

 TITLE **Controller**
SUBMIT FORM

Business Unit: POFCS	Requester: E29569	Status: Pending Approval
Requisition: RFC0017834	Requested By: Gonzales, Clarissa J	Currency: USD
Requisition Name: FY24 Farolito Senior GAHP	Entered Date: 1/10/24	Requisition Total: 4,187,152.00
Requisition Origin: FCS	Requisition Type: Social Services Contracts	
Hold PO Process:	Source Next Yr:	Blanket Exp Date:
Header Comments: CCN: 202400708 Supplier: Greater Albuquerque Housing Supplier ID: 0000111974 HOME PY19,20,21,22 ; TOP 12/7/2023-9/30/2025 ***Attention Purchasing: Please create POR*** CJG x83115		

Line: 1 Desc: Farolito 2019 Quantity: 1.0000 UOM: EA Price: Line Total: 1,092,672.90
1,092,672.90
Supplier: GREATER ALBUQUERQUE HOUSING Category: 952-92 Transitional Living

Buyer ID: E29569 Buyer Name: Gonzales, Clarissa J

Cert Source: COA Class: LOCAL

Amt Only Flg: Y

Ship Line: 1	Ship To: 10021	Address:	Shipping Quantity: 1.0000
Attention: Rick Giron	Due Date:	FC-Administration	Shipping Total: 1,092,672.90
Ship Via: COMMON	Freight Terms: DES	400 Marquette NW	
		Room 504	GRT Tax Code:
		Albuquerque NM 87102	NO-TAX
			Not Taxable-0%

Dist	Status	Qty	PCT	Amount	GL Unit	Account	Fund
1	Open	1.0000	100.00	1,092,672.90	ABQ01	527500	265

PC BU	Project	Activity	Capitalize
PCFCS	29_HOME_19	3163494	N

Line: 2 Desc: Farolito 2020 Quantity: 1.0000 UOM: EA Price: Line Total: 1,238,958.14
1,238,958.14
Supplier: GREATER ALBUQUERQUE HOUSING Category: 952-92 Transitional Living

Buyer ID: E29569 Buyer Name: Gonzales, Clarissa J

Cert Source: COA Class: LOCAL

Amt Only Flg: Y

Ship Line: 1	Ship To: 10021	Address:	Shipping Quantity: 1.0000
Attention: Rick, Giron	Due Date:	FC-Administration	Shipping Total: 1,238,958.14
Ship Via: COMMON	Freight Terms: DES	400 Marquette NW	
		Room 504	GRT Tax Code:
		Albuquerque NM 87102	NO-TAX
			Not Taxable-0%

Dist	Status	Qty	PCT	Amount	GL Unit	Account	Fund
1	Open	1.0000	100.00	1,238,958.14	ABQ01	527565	265

PC BU	Project	Activity	Capitalize
PCFCS	29_HOME_20	3163719	N

Source Type
NOIDC

Line: 3 Desc: Farolito 2021 Quantity: 1.0000 UOM: EA Price: 150,590.00 Line Total: 150,590.00
Supplier: GREATER ALBUQUERQUE HOUSING Category: 952-92 Transitional Living

Buyer ID: E29569 Buyer Name: Gonzales, Clarissa J

Cert Source: COA Class: LOCAL

Amt Only Flg: Y

Ship Line: 1	Ship To: 10021	Address:	Shipping Quantity: 1.0000
Attention: Rick Giron	Due Date:	FC-Administration	Shipping Total: 150,590.00
	Freight Terms: DES	400 Marquette NW	

Ship Via: COMMON

Room 504
Albuquerque NM 87102

GRT Tax Code:
NO-TAX
Not Taxable-0%

Dist	Status	Qty	PCT	Amount	GL Unit	Account	Fund
1	Open	1.0000	100.00	150,590.00	ABQ01	527565	265

PC BU	Project	Activity	Capitalize
PCFCS	29_HOME_21	3164039	N

Source Type
NOIDC

Line: 4

Desc: Farolito 2022
Supplier: GREATER ALBUQUERQUE HOUSING

Quantity: 1.0000 UOM: EA Price: 633,142.96 Line Total: 633,142.96
Category: 952-92 Transitional Living

Buyer ID: E29569 Buyer Name: Gonzales, Clarissa J

Cert Source: COA Class: LOCAL

Amt Only Flg: Y

Ship Line: 1
Attention: Rick Giron
Ship Via: COMMON

Ship To: 10021
Due Date:
Freight Terms:DES

Address:
FC-Administration
400 Marquette NW
Room 504
Albuquerque NM 87102

Shipping Quantity: 1.0000
Shipping Total: 633,142.96

GRT Tax Code:
NO-TAX
Not Taxable-0%

Dist	Status	Qty	PCT	Amount	GL Unit	Account	Fund
1	Open	1.0000	100.00	633,142.96	ABQ01	527565	265

PC BU	Project	Activity	Capitalize
PCFCS	29_HOME_22	3164265	N

Source Type
NOIDC

Line: 5

Desc: Farolito Match 2022
Supplier: GREATER ALBUQUERQUE HOUSING

Quantity: 1.0000 UOM: EA Price: 1,046,788.00 Line Total: 1,046,788.00
Category: 952-92 Transitional Living

Buyer ID: E29569 Buyer Name: Gonzales, Clarissa J

Cert Source: COA Class: LOCAL

Amt Only Flg: Y

Ship Line: 1
Attention: Rick Giron
Ship Via: COMMON

Ship To: 10021
Due Date:
Freight Terms:DES

Address:
FC-Administration
400 Marquette NW
Room 504
Albuquerque NM 87102

Shipping Quantity: 1.0000
Shipping Total: 1,046,788.00

GRT Tax Code:
NO-TAX
Not Taxable-0%

Dist	Status	Qty	PCT	Amount	GL Unit	Account	Fund
1	Open	1.0000	100.00	1,046,788.00	ABQ01	527565	265

PC BU	Project	Activity	Capitalize
PCFCS	29_HOME_22	3164266	N

Source Type
NOIDC

Line: 6

Desc: Farolito 2019
Supplier: GREATER ALBUQUERQUE HOUSING

Quantity: 1.0000 UOM: EA Price: 25,000.00 Line Total: 25,000.00
Category: 952-92 Transitional Living

Buyer ID: E29569 Buyer Name: Gonzales, Clarissa J

Cert Source: COA Class: LOCAL

Amt Only Flg: Y

Ship Line: 1

Attention: Rick Giron

Ship Via: COMMON

Ship To: 10021

Due Date:

Freight Terms:DES

Address:

FC-Administration

400 Marquette NW

Room 504

Albuquerque NM 87102

Shipping Quantity: 1.0000

Shipping Total: 25,000.00

GRT Tax Code:

NO-TAX

Not Taxable-0%

Dist	Status	Qty	PCT	Amount	GL Unit	Account	Fund
1	Open	1.0000	100.00	25,000.00	ABQ01	527500	265
PC BU		Project			Activity	Capitalize	
PCFCS		29_HOME_19			3163494	N	



CITY OF ALBUQUERQUE

[Council Home](#)[Legislation](#)[Calendar](#)[Boards and Commissions](#)[Details](#)[Reports](#)**File #:** EC-23-379**Type:** Executive Communication**Status:** Approved**File created:** 10/16/2023**In control:** [City Council](#)**Final action:** 11/8/2023**Enactment date:** **Enactment #:****Title:** Approval of the Farolito Senior Community Development Agreement with Greater Albuquerque Housing Partnership to Utilize HUD HOME Funds Towards the New Construction of a Senior Rental Housing Project**Attachments:** 1. [EC-379](#)[History \(3\)](#)[Text](#)[3 records](#) [Group](#) [Export](#)

Date	Action By	Action	Result	Action Details
11/8/2023	City Council	Approved	Pass	Action details
10/16/2023	City Council	Received		Action details
10/16/2023	President	To be heard at the Council Meeting		Action details

DEVELOPMENT AGREEMENT

By and between the **City of Albuquerque**, Albuquerque, New Mexico, a municipal corporation,
and

Developer,
Greater Albuquerque Housing Partnership, a New Mexico non-profit corporation, 320 Gold
Avenue SW, Suite 918, Albuquerque, NM 87102

Date Executed: _____

FAROLITO SENIOR COMMUNITY

10501 Central Avenue NE

**Parcel A as shown on the Boundary Survey of Tract C, Video Addition and Parcels of
Land Owned by the State of New Mexico Situated Within the NW1/4 NW1/4 Sec.28,T10N,
R4E, NMPM, April 2016, recorded with the County Clerk of Bernalillo County on
February 12, 2020 as Doc. No. 2020013489, containing 2.2856 acres, more or less.**

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DEVELOPMENT AGREEMENT

HOME Investment Partnerships Program (HOME) Grant Agreement

THIS AGREEMENT is entered into upon the final date of signature below, by and between the **City of Albuquerque**, New Mexico, a municipal corporation (hereinafter “City”) and **The Greater Albuquerque Housing Partnership**, a New Mexico non-profit corporation, 320 Gold Avenue SW, Suite 918, Albuquerque, NM 87102, and/or assigns (hereinafter “Developer”). City and Developer are sometimes hereinafter referred to collectively as “the Parties” and individually as “a Party.”

RECITALS

WHEREAS, the City, under the Federal National Affordable Housing Act of 1990/HOME Investment Partnerships Program (the “Act”), with HOME Grant Assistance Listing No. 14.239, and under its powers as a home rule city, is authorized to acquire, construct, improve, rehabilitate and conserve residential facilities intended for use as a place of residence for the intended occupants; and

WHEREAS, under the Act, a project may include acquiring, improving, constructing, rehabilitating and conserving land, buildings and improvements located within the City of Albuquerque; and

WHEREAS, the City has determined by Resolution adopted September 21, 1992, Enactment No. 134-1994, that a serious shortage of decent, safe, sanitary and affordable residential housing exists in the City of Albuquerque; and

WHEREAS, funding for the Project, described in Section 2.3 of this Agreement, was provided in the City’s 2022 Action Plan, approved by City Council on May 2, 2022, by Resolution R-22-23, and

WHEREAS, the Developer represents that it has the necessary construction and management expertise to develop and manage the Project; and

WHEREAS, the Developer has been evaluated and meets the requirements of a Community Housing Development Organization (CHDO) at the time of the award.

NOW THEREFORE, and in consideration of the premises and the mutual covenants hereinafter set forth, the Parties formally covenant and agree as follows:

ARTICLE I **Definitions**

Section 1.1. The Definitions in the *Administrative Requirements for Social Service Contracts Awarded Under the City of Albuquerque*, as they exist at the time of the execution of this Agreement or as amended during the term of this Agreement are adopted by reference and incorporated herein as though set forth in full in this section.

Section 1.2. Capitalized terms shall have the meaning assigned to them in this Agreement. If not otherwise defined in this Agreement, capitalized terms shall retain their customary meaning.

Section 1.3. The additional definitions as shown in Exhibit A, except where the context indicates otherwise, shall have the respective meanings set forth in Exhibit A.

ARTICLE II

Project Purpose and Description

Section 2.1. Purpose of Project. The purpose of the Project is to construct eighty-two (82) units of mixed-income rental housing for seniors located at 10501 Central NE, of which all are affordable units designated for persons who are at or below 80% Area Median Income (AMI), with specific set-asides for households at or below 60% AMI, 50% AMI, and 30% AMI, as further described in Section 2.3, below.

Section 2.2. Project Term. The development of the Project and the provision of the Affordable Housing Units (as defined below) by the Developer are to commence dependent upon the award of Low Income Housing Tax Credits by the Mortgage Finance Authority to the Developer and shall be undertaken and completed in such sequence as to assure their expeditious completion in light of the purposes of this Agreement, but in any event, the Project and all of the services required hereunder in connection with the Project, shall be continued for twenty (20) years from the City's Date of Project Completion in the HUD Integrated Disbursement and Information System (IDIS), and shall be referred to as the "HOME Affordability Period." **The Project contains twenty-two (22) HOME-assisted units (17 High-HOME and 5 Low-HOME), as stipulated in the Restrictive Real Estate Covenants, which shall abide by the High-HOME and Low-HOME rents for the entire 20-year HOME Affordability Period.**

Section 2.3. Project Description. The Project, named **Farolito Senior Community**, will be located at 10501 Central Avenue NE, as legally described in Exhibit B (hereinafter referred to as the "Real Property"). The Project shall consist of the construction and management of the four-story, multi-family building, including common space, landscaping, access, parking lots and grounds located on the aforementioned Real Property. The Project includes the construction of 82 residential units for seniors age 55 and older on land owned by the New Mexico State Land Office, which will be leased by the Development Entity (as defined herein) for a minimum term of 60 years. The development will contain seventy-two (72) 1-bedroom and ten (10) 2-bedroom rental housing units, and common space totaling approximately 76,675 heated square feet. Of the 82 units, 13 units shall be for households at or below 80% AMI, 28 units shall be for households at or below 60% of AMI, 16 units shall be for households at or below 50% AMI, and 25 units shall be for households at or below 30% AMI. The Project shall remain an affordable rental housing

project, abiding by the High-HOME and Low-HOME rents for the 20-year HOME Affordability Period, as more fully provided elsewhere in this Agreement.

Section 2.4. Development Single Purpose Entity. The Developer intends to form a single purpose entity ("Development Entity") and plans to use federal low income housing tax credits to partially fund the development of the Project. The Development Entity will develop, own, and operate the Project on the leased Real Property. Following the formation of the Development Entity, which will likely be a New Mexico limited liability limited partnership, the rights and obligations under this Agreement shall be assigned by the Developer to the Development Entity. An affiliate of the Developer will serve as the general partner of the Development Entity and a third party investor will serve as limited partner of the Development Entity.

Section 2.5. Management of Property. Developer shall manage Farolito Senior Community through a property management agreement with a professional property management company that has been approved by the City in writing. Monarch Properties, Inc. has been selected by the Developer as the property management company for Farolito Senior Community, and this selection is approved by the City. Any changes of property management company must also be approved in writing by the City.

ARTICLE III

Funds Committed to the Project

Section 3.1. Description of City Grant

A. The City shall provide a grant (the "City Grant") to the Developer to assist in the Project financing, in an amount not to exceed **Four Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$4,187,152.00)**, from the U.S. Department of Housing and Urban Development HOME Investment Partnerships (HOME) funds, which includes HOME Community Housing Development Organization (CHDO) Set Aside funding in the amount of Three Hundred Thirty-Seven Thousand, Sixty-Seven Dollars and Twenty-Five Cents (\$337,067.25). The City Grant shall be forgiven at the end of the HOME Affordability Period if all conditions and requirements of this Development Agreement and related obligations are met.

B. At the closing of the City Grant (the "Closing," as defined in Exhibit A hereto), the Developer will loan the City Grant funds to the Development Entity, which loan will be evidenced by a Promissory Note (the "City HOME Note") in a form agreed upon prior to closing and secured by a Mortgage (the "City HOME Mortgage") in a form agreed upon prior to closing. The City HOME Note and City HOME Mortgage will be collaterally assigned to the City as security for the payment of the City Grant. The Developer and the Development Entity shall also sign at Closing, the Restrictive Real Estate Covenants in a form substantially similar to Exhibit I as attached hereto. The Closing shall occur on or before December 31, 2023 unless extended by the parties.

Section 3.2. Project Budget. The proposed Project Budget is attached as Exhibit E. If Pre-Development land acquisition or land donation are part of this Project but were funded separately,

Greater Albuquerque Housing Partnership
Farolito Senior Community
HOME \$4,187,152 Grant
2023

the Schedules shown in Exhibit E shall be completed for those activities and shall be incorporated into the Project Budget shown in Exhibit E. The proposed Project Budget shall be subject to change or amendment from time to time, subject to prior written approval of the Authorized City Representative. The Authorized City Representative shall not unreasonably withhold such approval if (a) the combined amount of all sources of funds available remains sufficient to pay all anticipated costs of the Project, (b) the proposed amendment to the Project Budget does not adversely affect Developer's ability to complete the Project pursuant to this Agreement, (c) Developer promptly provides written notice of any such proposed amendment to the City, and (d) the proposed amendment does not reflect a material change to the Plans, Specifications and Elevations.

Section 3.3. Schedule of Grants. Attached hereto as Exhibit F and incorporated herein as though set forth in full in this paragraph is the schedule of grants from the City to be paid, and the terms thereof.

Section 3.4. Other Loans, Grants, and Subsidies. Other loans, grants, and subsidies, if applicable, are listed on the attached Exhibit E and incorporated herein as though set forth in full in this paragraph. Other than as set forth on Exhibit E, the Developer shall not encumber the Project without the City's consent.

Section 3.5. Tax Credits. The estimated amount of federal low income housing tax credits are listed on the attached Exhibit E and incorporated herein as though set forth in full in this paragraph. Should the Developer not receive an award of low-income housing tax credits from the New Mexico Mortgage Finance Authority ("MFA") by December 31, 2023, the City Grant funds designated in this Agreement may be undesignated and available for other affordable housing projects, as determined by the City. The Developer shall immediately notify the City of such failure within ten (10) business days of Developer's notification of such failure from the MFA. Failure to notify the City of the Developer's failure to receive an award of low-income housing tax credits is a material Event of Default.

Section 3.6. Request for Disbursement of Funds. The Developer may not request disbursement of funds under the Agreement until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed. 24 CFR § 92.504(c)(3)(viii).

Section 3.7. Fees. The Developer shall not charge fees that are not customarily charged in rental housing. 24 CFR § 92.504(c)(3)(xi).

ARTICLE IV

Commencement and Completion of the Project

Section 4.1. Agreement to Construct and Complete the Project.

A. Developer shall construct the project in accordance with the Plans, Specifications and Elevations prepared by Developer, including any and all supplements, amendments and additions or deletions thereon or therein, as approved by the City in writing.

Greater Albuquerque Housing Partnership
Farolito Senior Community
HOME \$4,187,152 Grant
2023

B. Developer shall construct the Project with all reasonable dispatch and according to the Development Schedule attached as Exhibit G. An updated Development Schedule shall be provided within sixty (60) days after execution of the Agreement and shall be provided as part of the subsequent quarterly reports. Failure to meet the Development Schedule after notice and cure under Article XI is a material Event of Default of this Agreement.

C. Developer shall have sole responsibility for construction of the Project and shall perform the responsibilities itself or through affiliates, agents, contractors, subcontractors or others selected by it in whatever lawful manner Developer deems necessary or advisable, provided such manner is in conformance with all applicable funding sources. Developer shall procure from the appropriate state, county, municipal and other authorities and corporations appropriate building permits and certificates of occupancy, connection arrangements for the supply of gas, water, electricity and other utilities and discharge of sewage and industrial waste disposal for the operation of the Project.

Section 4.2. Establishment of Completion Date.

A. The Developer shall complete the construction of the Project no later than September 30, 2025 (“Completion Date”). Failure to complete the construction by the Completion Date after notice and cure under Article XI, is a material Event of Default of this Agreement.

B. The Completion Date shall be evidenced to the City by (i) final inspection approval by the City of Albuquerque Building Safety Division of all building permits that lead to the completion of the Plans, Specifications and Elevations; (ii) if applicable, a letter of completion and acceptance by the City accepting public infrastructure required to be constructed; (iii) release of liens by contractors, subcontractors and suppliers employed in the project; and (iv) Certificate of Occupancy issued by the City. Such documents shall be delivered to the City promptly after completion of the Project but not later than thirty (30) days after receipt by the Developer, unless an extension of such date has been agreed to in writing by the parties to this Agreement. Notwithstanding the foregoing, such certificates shall state that they are given without prejudice to any rights of the City against any third party, existing at the date of such documents or which may subsequently come into being.

C. At all times during the construction phase, the City may conduct inspections of the Project during normal business hours after giving reasonable notice to Developer. Notwithstanding the above, within five (5) days after substantial completion of each building, Developer shall arrange for a Project walk through with the Developer’s Authorized Representative, City’s Authorized Representative, Construction Contractor and Independent Architect/Engineer to prepare the Project punch list on a unit by unit basis as well as common areas. Developer shall cause each item on the punch list to be remedied no later than thirty (30) days after issuance of the punch list or prior to rental of the apartment unit to the original renter, whichever occurs first.

Section 4.3. Developer to Pursue Remedies against Contractor and Subcontractors and their Sureties. In the event of default by any contractor or subcontractor under any contract made in connection with the Project, Developer shall promptly proceed either separately or in conjunction

with others to exhaust any remedies against the contractor or subcontractor so in default and against each surety for the performance of such contractor or subcontractor. Developer may prosecute or defend any action or proceeding or take other action involving such contractor or subcontractor or surety or other guarantor or indemnitor which Developer deems reasonably necessary.

ARTICLE V
Conditions
Usage and Documentation of Loans or Grants

Section 5.1. Conditions Precedent to Disbursements of City Loans or City Grants Authorized Under this Agreement. The City and Developer agree that the Developer shall, at the Developer's expense, provide the following documents prior to the commencement of construction.

A. Phase I environmental site assessment.

B. ALTA survey of the Real Property.

C. Developer shall assist the City in complying with all applicable Environmental Review and historic preservation requirements of the U.S. Department of Housing and Urban Development and the State Historic Preservation Office of New Mexico, prior to expending any City HOME funding stipulated under this Agreement. This Agreement does not constitute a full commitment of funds or site approval, and the commitment of funds or site approval may occur only upon satisfactory completion of environmental review and receipt by the City of an approval of the request for release of funds and certification from the U.S. Department of Housing and Urban Development under 24 CFR Part 58. The provision of any funds to the Project is conditioned on the City's determination to proceed with, modify or cancel the Project based on the results of the environmental review.

D. Plans, Specifications and Elevations for the Project. Developer shall submit one complete set of the Design and Development Plans, Specifications and Elevations for the Project to the City. The City shall review and approve the proposed Construction Plans, Specifications and Elevations prior to the commencement of any construction work pursuant hereto. In a case of material change, the Authorized Developer Representative shall certify to the City that such revised Plans, Specifications and Elevations (not to be confused with plans for building permits) will not materially affect the purpose of the Project as set forth herein, provided that no such material change shall be made without the prior written consent of the City, which consent shall not be unreasonably withheld or delayed, as determined in the City's sound governmental judgment in compliance with all applicable laws and ordinances. Plans for building permits and other approvals must also be submitted to the appropriate City Departments.

E. Evidence of procurement of all contractors and subcontractors in compliance with 2 CFR Part 200, 24 CFR Part 92 and applicable City regulations.

F. Title Insurance Commitment and Title Insurance Policy.

G. Affirmative Marketing Plan. Developer shall provide to the City an updated affirmative marketing plan along with procedures in conformance with 24 CFR §92.351 and the Fair Housing Act.

H. Schedule of Material Events and Activities. Developer shall provide to the City a projected schedule of material events and activities from the date of acquisition of the Real Property through the stabilized occupancy of the Project by eligible families.

Section 5.2. Use of Grant Proceeds, Repayment, Discharge. The City Grant shall be an amount of no greater than **Four Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$4,187,152.00)**. The City Grant includes all City funds allocated through this Agreement for this Project and shall be used for the development and construction of the Project, and no other purpose.

Section 5.3. Disbursement of City Grant Proceeds Authorized under this Agreement. The City Grant, authorized under this Agreement in the amount of **Four Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$4,187,152.00)**, shall be disbursed to the Developer to pay actual costs incurred by the Development Entity for purposes authorized under this Agreement and per the projected Project budget attached hereto and incorporated herein as Exhibit E.

A. In addition to any other requirements herein, City Grant disbursement shall only be made in the event Developer meets the criteria set forth herein at Section 5.1 and upon the execution of this Agreement by both parties.

B. Developer agrees to provide the City with a Request for City Grant Disbursement, in a form acceptable to the City and substantially similar to Exhibit H, not less than ten (10) days prior to the distribution date.

C. Developer shall submit supporting invoices and documentation for costs actually incurred by and paid for by Developer. Construction costs must be certified by the Architect/Engineer.

Section 5.4. HOME CHDO Funds. The City Grant, authorized under this Agreement in the amount of Four Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$4,187,152.00) includes HOME CHDO Set Aside funds in the amount of **Three Hundred Thirty-Seven Thousand, Sixty-Seven Dollars and Twenty-Five Cents \$337,067.25**.

A. The Developer has been evaluated and meets the requirements of a CHDO as of the time of the award.

B. The Developer understands and agrees that it is subject to all HOME/CHDO requirements, including those described in 24 CFR §92.300, 24 CFR §92.301, and 24 CFR §92.303.

Section 5.4. Grant Documentation. Developer shall collaterally assign the City HOME Note to the City, and the City HOME Note shall be secured by City HOME Mortgage.

Section 5.5. Restrictive Real Estate Covenants. At Closing, Developer shall execute and deliver the Restrictive Real Estate Covenants to the City. To ensure the City's goals in regards to this Project, the City shall require the Restrictive Real Estate Covenants to be recorded at the Closing, which Restrictive Real Estate Covenants shall run with the land, binding upon the Developer, the Development Entity and their successors and assigns.

Section 5.6. Subordination and Release. Upon the City's approval of the Developer's financing arrangements, the City will subordinate the City HOME Mortgage to one or more mortgages for borrowed funds necessary to develop the Project by a Subordination of Mortgage, which form will be subject to negotiation and agreement between the City and the Developer's other lenders. However, the Restrictive Real Estate Covenants will not be subordinated and will continue to run with the land for the term of the Affordability Period.

ARTICLE VI

Warranties and Obligations

Section 6.1. Warranties and Obligations by the City. The City makes the following warranties as the basis for the undertakings on its part contained herein.

A. The City is a municipal corporation organized and existing under and pursuant to the laws of the State of New Mexico and is authorized by the Act to provide financing for, acquire, construct, own, lease, rehabilitate, improve, sell and otherwise assist projects for the purpose of providing adequate residential housing including residential housing for individuals and families of low and moderate income, which is at or below 80% AMI, by inducing private enterprise to locate, develop and expand such residential housing facilities in the City.

B. At Closing, the City shall file or cause to be filed the Restrictive Real Estate Covenants, Deed, City Mortgages and other title documents in the Office of the County Clerk of Bernalillo County.

Section 6.2. Warranties and Obligations by Developer. Developer makes the following warranties as the basis for the undertakings on its part herein contained.

A. Developer is a New Mexico non-profit corporation duly organized and validly existing as such under the laws of the State of New Mexico with authority to perform the transactions set forth herein, that it has the power to enter into this Agreement and by proper action it has duly authorized the execution and delivery of this Agreement.

B. 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 violate or will violate the terms of Developer's Articles of Incorporation or Bylaws, nor conflict with or result in a breach of any of the terms, conditions or provisions of any corporate

restriction or any agreement or any instrument to which Developer is now a party or by which it is bound, nor constitute or will constitute a default under any of the foregoing or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the Real Property or assets of Developer under the terms of any instrument or agreement.

C. There are no pending or threatened legal or administrative proceedings against Developer or affecting the Project which, if determined adversely, would have a material adverse effect on Developer or the Project.

D. The Restrictive Real Estate Covenants attached hereto as Exhibit I, will be binding on the Real Property and the Developer, its successors and assigns, who shall comply therewith.

E. During the HOME Affordability Period, the Developer, the Development Entity, and their successors and assigns, shall comply with the applicable provisions of the following:

1. Requirements of the Uniform Relocation and Real Property Acquisition Policies Act of 1970 (49 CFR Part 24) and Section 104(d) of the Housing and Community Development Act of 1974, as applicable.

2. Regulations of the Uniform Administrative Requirements as described in 24 CFR §92.505, as applicable.

3. Local housing code requirements, and to allow the City to inspect the Real Property upon demand at all reasonable times.

4. The affirmative marketing plan submitted to the City along with procedures in compliance with 24 CFR §92.351 and the Fair Housing Act.

5. Maintain accurate records which document and verify affirmative marketing efforts.

6. Adhere to all applicable federal, state and local laws, in particular, but not limited to, labor and employment laws regarding construction of public works, including but not limited to: 24 CFR Part 70, and 24 CFR §92.354 (Davis-Bacon Act); 24 CFR Part 5, Subpart A, and 24 CFR §92.350 (Excluded Parties); 24 CFR Part 135 (Section 3); 24 CFR Part 8, 24 CFR §92.504; and 24 CFR §100.205 (Accessibility for Disabled Persons).

7. Maintain the Project as an affordable rental housing project for the HOME Affordability Period.

8. Adhere to initial rents for assisted units (if applicable) set forth in the Restrictive Real Estate Covenants attached to this Agreement as Exhibit I. Any rent increases of the assisted units must be approved in writing by the City prior to implementation. If utilities are not included in the rent, an allowance must be made using the City's established Utility Allowance, as it may be amended from time to time.

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9. Maintain income verification of tenants and their family size residing in affordable units using 24 CFR §5.609 criteria. Income verification and family size documentation must be secured prior to occupancy of the affordable units, and thereafter verified and certified at least annually. Following occupancy, if an affordable unit's tenants' income exceeds 80% of the City's Median Income adjusted for family size, the tenant may remain in the unit; however, the tenant must pay the lesser of 30% of the adjusted monthly income for rent and utilities, or the market rent.

10. Use its best efforts to afford Minority and Women-Owned Business Enterprises (that is, businesses which are at least fifty-one percent owned and controlled by minority group members or women) the maximum practicable opportunity to participate in the performance of this Agreement, as applicable.

11. Execute annual leases, unless otherwise mutually agreed between tenant and owner and permissible under the federal, state and local laws regarding the funding for this Project, with tenants in the affordable units in compliance with 24 CFR §92.253.

F. The Developer shall establish a maintenance reserve fund for the Project in an amount not less than Two Hundred Fifty Dollars and No Cents (\$250.00) per unit per annum from the date of acceptance of the Certificate of Occupancy issued by the City of Albuquerque until all the terms of this Agreement are met and the HOME Affordability Period has expired. From time to time, the City may adjust the maintenance reserve amount to reflect current maintenance costs and will notify Developer in writing of any increase or decrease.

G. The Developer shall assure that the property manager for the facility participates in the Albuquerque Police Department's Crime Free Multi-Housing Program or such equivalent program as may be in existence, and obtains program certification within one year of execution of this Agreement and remains so certified thereafter during the term of this Agreement and until the HOME Affordability Period has expired. Failure to obtain the certifications, or revocation of the certification of the facility or the facility manager, after notice and cure under Section 11.1.B, shall constitute a material default of this Agreement.

H. None of the units in the Project shall at any time be utilized on a transient basis; and none of the Project or any portion thereof shall ever be used as a hotel, motel dormitory, fraternity house, sorority house, rooming house, nursing home, hospital, sanitarium, rest home or trailer court or park.

I. At all times during the term of this Agreement and until the HOME Affordability Period has expired, the Project shall comply in all material respects with all applicable zoning and planning ordinances, building codes, flood regulations, environmental laws, ordinances, statutes, rules and regulations relating to the Project.

J. The Developer shall not, during the term of this Agreement, amend or change its Bylaws or Articles of Incorporation in any manner if such amendment or change would result in a conflict with the terms of this Agreement.

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K. The Developer shall comply with the provisions of, and act in accordance with, all applicable federal laws, rules and regulations, and Executive Orders related to equal employment opportunity, affirmative action, equal access to programs and services, and the enforcement of Civil Rights, including, but not limited to, Section 3 of the Housing and Urban Development Act of 1968, Sections 103 and 109 of the Housing and Community Development Act of 1974, as amended, Title VI and Title VII of the Civil Rights Act of 1964, as amended, Title VIII of the Civil Rights Act of 1968 (the Fair Housing Act, as amended by the Housing for Older Persons Act of 1995), Sections 502, 503, 504 and 505 of the Rehabilitation Act of 1973, Equal Pay Act of 1963, Age Discrimination in Employment Act of 1967, as amended, the Vietnam Era Veterans Readjustment Act of 1974, the 1986 U.S. Immigration Reform and Control Act, Americans with Disabilities Act of 1990, Executive Order 11063 of 1962 and Executive Order 11246 of 1965, as amended, and the Nontraditional Employment for Women Act of 1991; the New Mexico Human Rights Act and the Albuquerque Human Rights Ordinance, as well as all rules and regulations pertaining to each such statute or ordinance; and will not discriminate against any person or applicant because of race, color, religion, sex, national origin or ancestry, physical or mental handicap, sexual orientation, gender identity, disability, or Vietnam-era or disabled veteran status, and will make reasonable accommodation to the known physical or mental handicap or disability of an otherwise qualified applicant for tenancy.

L. The Developer shall comply with all project requirements pursuant to 24 CFR §92.504(c)(3)(iii). Compliance with the project requirements in subpart F, as applicable to the Rental Housing Project, is required.

M. The Developer shall comply with Property Standards as set forth in 24 CFR §92.251). The housing must meet the property standards of 24 CFR §92.251 upon project completion, and must maintain the housing in compliance with 24 CFR §92.251 for the duration of the affordability period.

N. The Developer must comply with the requirements of 24 CFR §92.355 regarding Lead-Based Paint. Housing assisted with HOME funds is subject to the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821–4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851–4856), and implementing regulations at part 35, subparts A, B, J, K, M and R of this title.

O. The Developer must comply with all other program requirements of 24 CFR §92.504(c)(3)(v)(A)-(F) (subpart H), including the following:

1. Affirmative marketing plan (24 CFR §92.351): Developer shall submit an affirmative marketing plan in accordance with 24 CFR §92.351 and the Fair Housing Act.

2. Pursuant to 24 CFR §92.350, Developer shall comply with all requirements set forth in 24 CFR Part 5, Subpart A, including nondiscrimination and equal opportunity, disclosure requirements, debarred, suspended or ineligible contractors, drug-free work place, and housing counseling. The non-discrimination requirements at Section 282 of the Act are applicable.

3. Developer must comply with all displacement, relocation, and acquisition requirements, pursuant to 24 CFR §92.353.

4. Developer must comply with all applicable labor requirements of 24 CFR §92.354, including as applicable, the Davis-Bacon Act (40 USC 3141), and the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 USC 3701).

5. Developer must comply with the conflict of interest provisions in 24 CFR §92.356(f).

6. Developer must comply with the provisions of 24 CFR §92.358 regarding consultant activities.

7. Developer must comply with the Violence Against Women Act (VAWA) requirements under 24 CFR §92.359, including the notice obligations and obligations under the emergency transfer plan.

P. The Developer represents that it has been evaluated and meets the requirements of a Community Housing Development Organization (CHDO) at the time of the award.

ARTICLE VII

Monitoring/Reports Required

Section 7.1. The Developer shall report, in writing, at least quarterly during the construction and lease-up phases of the Project. The quarterly report shall include the process of construction as a percentage complete, construction funds expended with remaining balance, and number of units completed, and a certified rent roll showing household size, ethnicity, race, and whether the occupant is female head of household.

Section 7.2. Income received from the rental of affordable units, if funded by HOME, shall be considered Program Income and must comply with 24 CFR §92.503. A Program Income report detailing the uses of Program Income for the reporting period shall be provided by the Developer within thirty (30) days after the close of the quarter until the terms of this Agreement have been met.

Section 7.3. The Developer shall provide an annual report within ninety (90) days of the close of the Developer's fiscal year until the expiration of the HOME Affordability Period. The report shall include, but not be limited to, the financial statements for the Project, Income and Expense Statement for the Project, a Program Income budget, a certified rent roll showing household size, ethnicity, race, whether the occupant is female head of household, date of execution of the occupants' current lease, adjusted gross income and rental rates, and, if applicable, the proposed uses of Program Income for the forthcoming year.

Section 7.4. At any time during normal business hours and as often as the City, its designee, or the appropriate funding entity may deem necessary, there shall be made available to
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the City or the appropriate funding entity for examination, all of the Developer's records with respect to all matters covered by this Agreement. The Developer shall permit the City or the appropriate funding entity to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.

Section 7.5. The Developer shall comply with all applicable monitoring provisions of the City's housing regulations including but not limited to the City's HOME Policies and Procedures and/or Workforce Housing Regulations, as determined by the City. The Developer shall report as required to the State Department of Workforce Solutions.

ARTICLE VIII

Fees, Taxes, Insurance and Other Amounts Payable

Section 8.1. Payment, Fees and Other Amounts Payable. Developer shall promptly pay or cause to be paid, as the same become due, all governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project or any interest therein or other property constructed, installed or bought by Developer therein or thereon which, if not paid, will become a lien on the Real Property prior to or on a parity with the City Mortgages including all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project, provided that with respect to governmental charges that may lawfully be paid in installments over a period of years, Developer shall be obligated to pay only such installments as are required to be paid during the term of this Agreement when due. Developer may, in good faith, contest any such charges and in the event of any such contest may permit the charges so contested to remain unpaid during the period of such a contest and any appeal therefrom, provided that during such period, enforcement of any such contested item shall be effectively stayed. If Developer shall fail to pay any of the foregoing items required herein to be paid by Developer, the City may (but shall be under no obligation to) pay the same, and any amounts so advanced therefore by the City shall become an additional obligation of Developer to the City, which amounts, together with interest thereon at statutory judgment interest rate from the date thereof, Developer agrees to pay on demand. Any such amounts so advanced by the City shall be secured by the City Mortgages.

Section 8.2. Payments Required. The obligations of Developer to make the payments required in Section 8.1 hereof and to perform and observe the other agreements on its part contained in this Agreement shall be absolute and unconditional without offset or counterclaim for claims against the City or any other party.

Section 8.3. Maintenance of Project. Developer agrees that, during the term of this Agreement as described in Section 2.2, it shall, at its own expense, keep the Project in a reasonably safe condition and keep the buildings and all other improvements forming a part of the Project in good repair and in good operating condition making, from time to time, all necessary repairs thereto and renewals and replacements thereof. Any tangible property purchased or installed with proceeds from the City Grant or received in exchange for tangible property purchased or installed with proceeds from the City Grant shall become a part of the Project and the Real Property thereof.

Developer shall not permit any mechanic's lien, security interest, or other encumbrance to be established or to remain against the Project for labor or materials furnished in connection with the construction or installation of the Project or any additions, modifications, improvements, repairs, renewals or replacements made by it, provided that if Developer shall notify the City of its intention to do so, Developer may, in good faith, contest any mechanic's or other liens filed or established against the Project and such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom unless Developer determines or the City shall notify Developer that, in the opinion of the City, by non-payment of any such items, the City HOME Mortgage as to any part of the Project shall be materially endangered or the Project or any part thereof shall be subject to loss or forfeiture in which event the Developer shall promptly pay and cause to be satisfied and discharged all such unpaid items.

Section 8.4. Insurance Required. During the construction period and throughout the term of this Agreement, Developer itself through its contractors, subcontractors or agents shall keep the Project insured against loss or damage by maintaining policies of insurance and by paying, as the same become due and payable, all premiums with respect thereto, including but not necessarily limited to the following coverage:

A. **COMPREHENSIVE GENERAL LIABILITY INSURANCE.** Developer shall obtain comprehensive general liability insurance, including automobile insurance, with liability limits in amounts not less than \$2,000,000 aggregate limit of liability for bodily injury, including death, and property damage in any one occurrence. Said policies of insurance must include coverage for all operations performed on or about the Project, including coverage for collapse, explosion and underground liability coverage, coverage for the use of all owned, non-owned, hired automobiles, vehicles and other equipment both on and off the Project site and contractual liability coverage which shall specifically insure the indemnification provisions of this Agreement. The above requirement shall include but shall not be limited to protection against damage or destruction of public and private property, including telephone conduit, telegraph conduit, power conduit, telephone signal cables, fiber optics cables, television cables, computer cables, fire alarm circuits, gas mains, water service connections, sanitary sewer, sewer, house or building connections, water mains, water service connections, steam lines, petroleum products pipelines, storm drains, storm inlet lines including all appurtenances thereto while located below the surface of the ground including injury or death to person or persons caused by Developer's operations including blasting and trenching, backfilling, tamping, with or without the use of mechanical equipment, and the collapse of or structural damage to a building, house or structure including power, telephone, telegraph, fire alarm, street light poles, curb, gutter and sidewalk on public or private property and destruction of or damage to other public or private property resulting therefrom including injury or death to person or persons and all causes by Developer's operations in the removal of other building structures including their supports, trees and utility poles or by excavation including blasting and trenching, backfilling, tamping with or without use of mechanical equipment. Other public and private property as used above shall include but not be limited to lawns, plants, flowers, trees, fences, yards, walls.

B. **OWNER'S PROTECTIVE PUBLIC LIABILITY INSURANCE.** Developer shall procure, or cause or be procured, and maintain, during the life of construction, an owner's

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protective public liability insurance policy with liability limits in an amount not less than \$2,000,000 combined single limit of liability for bodily injury, including death and property damage in any one occurrence.

C. **WORKER'S COMPENSATION INSURANCE.** Developer shall comply with the provisions of the Worker's Compensation Act, the Subsequent Injury Act and the New Mexico Occupational Disease Disablement Law. Developer shall procure and maintain, during the life of the Project, complete Worker's and Employer's Liability Insurance in accordance with New Mexico law and regulations. Such insurance shall include coverage permitted under NMSA 1978, §52-1-10 for safety devices. With respect to worker's compensation insurance, if Developer elects to be self-insured, it shall comply with the applicable requirements of law. If any portion of the construction of the Project is to be subcontracted or sublet, Developer shall require the contractor and subcontractor to similarly provide such coverage (or qualify as self-insured) for all latter's employees to be engaged in such work. It is agreed with respect to all worker's compensation insurance, Developer and its surety shall waive any right of subrogation they may acquire against the City, its officers, agents and employees by reason of any payment made on account of injury, including death, resulting therefrom sustained by any employee of the insured arising out of performance of this Agreement. Neither the Developer nor its employees are considered to be employees of the City of Albuquerque for any purpose whatsoever. The Developer is considered to be an independent contractor at all times in the performance of this Agreement. The Developer further agrees that neither it nor its employees are entitled to any benefits from the City under the provisions of the Worker's Compensation Act of the State of New Mexico, nor to any of the benefits granted to employees of the City under the provisions of the Merit System Ordinance as now enacted or hereafter amended.

D. **BUILDER'S RISK INSURANCE.** Developer shall procure and maintain, until completion of the construction, builder's risk, vandalism and malicious mischief insurance. Alternatively, Developer shall procure and maintain insurance against loss or damage to the Project by fire, lightning, vandalism, and malicious mischief with the uniform extended coverage endorsement limited only as may be provided in the standard form or extended coverage endorsement at the time in use by the State of New Mexico to provide for not less than 90% recovery of the market value of the buildings and other improvements but in any event no less than the cost of fully paying the City Grant.

E. **INCREASED LIMITS:** At any time during the term of this Agreement, the City may require Developer to reasonably increase the maximum limits of any insurance required herein and Developer shall promptly comply.

F. **PROOF OF INSURANCE:** During the term of this Agreement, not less than once each year, on or before May 31, Developer shall provide to the City without demand, or more frequently upon written demand, proof of all required insurance coverages.

Section 8.5. **Performance, Payment and Other Bonds.** Developer or Contractor shall furnish or cause to be furnished, performance and payment bonds as security for the faithful performance and payment of all its obligations pursuant to the construction of the Project. These bonds shall be in amounts at least equal to the amount of the City Grant and in such form and with such sureties

as are licensed to conduct business in the State of New Mexico and are named in the current list of surety companies acceptable on federal bonds as published in the Federal Register by the Audit Staff of Accounts, U.S. Treasury Department. The performance bond shall also include coverage for any guaranty period provided by the contractor. The surety on the performance bond shall furnish a waiver whereby it consents to the progress or partial payment to any contractor of amounts for materials and acknowledges that such payment shall not preclude enforcement of such remedy as may be available against such surety. Developer shall cause the City to be named a joint obligee on such bonds. If the surety on any bond furnished by Developer is declared bankrupt or becomes insolvent or its right to do business in the State of New Mexico is revoked, Developer shall substitute or cause to be substituted another bond and surety within ten (10) days thereafter. The Developer may furnish a letter or letters of credit in form satisfactory to the City as an alternative to the performance, payment bonds specified above. Any such letter must be drawn against a New Mexico institution whose deposits are federally insured and shall be payable exclusively to the City on demand.

Section 8.6. Additional Provisions Respecting Insurance. All insurance required to be taken out by Developer pursuant to this Agreement shall be taken out and maintained in generally recognized responsible insurance companies authorized to do business in the state of New Mexico selected by Developer. All applicable policies evidencing such insurance shall name both the City and Developer as named insured and the City shall be named as loss payee as to the City Mortgages under the builder's risk and property insurance required by this Agreement. An original or duplicate copy of the insurance policies providing the coverage required by Section 6 hereof shall be deposited with the City. Prior to expiration or exchange of such policy, Developer shall furnish the City evidence satisfactory to the City that the policy has been renewed or replaced or is no longer required by this Agreement. All policies required hereunder shall provide that the City shall be given thirty (30) days prior written notice of cancellation, non-renewal or material alteration of coverage. Provisions that the insurance company shall "endeavor to give the City notice" shall not be allowed.

Section 8.7. Advances by City. If Developer shall fail to maintain the full insurance coverage required by this Agreement or shall fail to keep the Project in as reasonably safe condition as its operating condition shall permit or shall fail to keep the buildings in good repair and good operating condition, the City may, but shall be under no obligation to, obtain the required policies of insurance and pay the premiums on the same or make the required repairs, renewals and replacements and all amounts so advanced therefore by the City shall become an additional obligation of Developer to the City which amounts, together with any interest thereon at the statutory judgment interest rate thereof, Developer agrees to pay on demand. Any such amounts advanced by the City shall be secured by the City HOME Mortgage and shall be paid upon demand by the City.

ARTICLE IX

Damage, Destruction and Condemnation

Section 9.1. Damage, Destruction and Condemnation. In the event the Project is destroyed or damaged, in whole or in part, by fire, or other casualty or title to or the temporary use of the Greater Albuquerque Housing Partnership
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Project or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or any person, firm or corporation, acting under governmental authority, Developer shall be obligated to continue to repay the City Grant as provided herein. Developer shall cause the net proceeds of insurance or from any award made in such eminent domain proceedings to be applied in one or more of the following ways as may be agreed in writing by the City and Developer:

A. The restoration of the buildings and other improvements located on the Real Property to substantially the same conditions as existed prior to the casualty causing the damage or destruction or the exercise of eminent domain, provided such repair or re-construction is physically and economically feasible.

B. Repayment of the City Grant and extinguishment of the liens, in order of lien priority.

C. In the event City and Developer cannot agree on the approach to take, City shall make the final decision and Developer agrees to be bound by that decision.

ARTICLE X

Special Covenants

Section 10.1. City's Right of Access to the Project. Developer agrees that the City and any of its duly authorized agents shall have the right at all reasonable times to enter upon and examine and inspect the Project provided that any such inspections shall be conducted in a manner that will minimize any intrusion on the operations of the Project.

Section 10.2. Good Standing. Developer warrants and represents that it has executed, filed and recorded all certificates and other documents and has done and shall continue to do throughout the term of this Agreement such other acts as may be necessary or appropriate to comply with all applicable requirements for the formation, qualification and operation of a non-profit corporation and the operation and ownership of the Project under the laws of the State of New Mexico.

Section 10.3. Granting of Easements. If no event of default under this Agreement shall then be continuing, Developer may at any time grant easements, licenses, rights-of-way including the dedication of public roads, streets or highways, and other rights or privileges in the nature of easements with respect to any Real Property included in the Project, consistent with the purposes of the Project, or Developer may release existing easements, licenses, rights-of-way and other rights or privileges with or without consideration subject to review and approval by the City. Developer shall furnish to the City a survey showing such easement, license or right-of-way, a copy of the instrument of grant and a certificate executed by a duly Authorized Developer Representative stating that such grant or release is not detrimental to the proper conduct of the business of Developer and that such grant or release shall not impair the effective use or market value, or interfere with the effective operation of the Project.

Section 10.4. Release and Indemnification Agreement. Developer releases the City from, and covenants and agrees that the City shall not be liable to the Developer for any loss or damage to property or any injury to or death of any person or persons occasioned by any cause whatsoever pertaining to the Project or the use thereof.

Developer shall defend, indemnify and hold harmless the City from any loss, claim, damage, acts, penalty, liability, disbursement, litigation expense, attorney's fees and expense or court costs arising out of or in any way relating to this Agreement, the City Mortgages, the City Notes or any other cause whatsoever pertaining to the Project, subject to the limitations found in NMSA 1978 § 56-7-1. The City shall promptly, after receipt of notice of the existence of a claim in respect of which indemnity hereunder shall be sought or of the commencement of any action against the City in respect of which indemnity hereunder may be sought, notify Developer in writing of the existence of such claim or commencement of such action. This section shall not apply to the negligent act or failure of the City or of its officials, employees and agents.

This indemnification agreement shall survive the term or termination of this Agreement.

Section 10.5. Sale, Assignment or Encumbrance of Project. Except as otherwise expressly permitted herein or in the City HOME Mortgage, during the HOME Affordability Period, Developer shall not sell, assign, dispose of, mortgage or in any way encumber the Project or any part thereof without the prior written consent of the City. City consent must be given in writing and may require repayment of federal funds to the City. Any conveyance of the Project during the term of this Agreement shall incorporate the Restrictive Real Estate Covenants.

Section 10.6. Authority of Authorized City Representative. Whenever, under the provisions of this Agreement, the approval of the City is required or Developer is required to take some action at the request of the City, such approval or such request shall be made by the Authorized City Representative unless otherwise specified in this Agreement and Developer shall be authorized to act on any such approval or request.

Section 10.7. Authority of Authorized Developer Representative. The Developer represents and warrants to the City that the Authorized Developer Representative is empowered to take all actions contemplated herein and that reliance by the City on the authority of the Authorized Developer Representative shall not give rise to a complaint against the City as a result of any action taken by the City.

Section 10.8. Financial Statement of Developer. During the term of this Agreement, Developer agrees to furnish the City a copy of its audited annual financial statements at least annually. The report and the management letter made on the audit, shall, within thirty (30) days of receipt by the Developer, be transmitted to the City and made available by it for public inspection.

ARTICLE XI

Events of Default Defined

Section 11.1. Events of Default Defined. The following “material events of Default” under this Agreement, also referred to as “Events of Default” or “default” include any one or more of the following events:

A. Failure by Developer to pay within five (5) days of the receipt of notice of monies due any amount required to be paid pursuant to the City Grant.

B. Failure by Developer to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement (other than payment, which is governed under Section 11.1.A. of this Agreement), for a period of ten (10) days after written notice from City to Developer specifying such failure and requesting that it be remedied. Provided, however, if the default in question is not reasonably susceptible to cure within such ten (10) day period Developer shall not be in default if, within such ten (10) day period, Developer notifies City that it has undertaken reasonable measures to cure the default and specifies the nature of such measures, and the City verifies that measures have been undertaken and concurs that they are reasonable measures.

C. Occurrence of any event specifically identified throughout this Agreement as an Event of Default, although an Event of Default is not limited to those instances specifically identified. Should an event specifically identified in this Agreement as an Event of Default occur, the parties shall follow the notice provisions and procedures of Section 11.1.B.

D. Developer agrees that as long as this Agreement is in effect, it shall maintain its existence as a non-profit corporation, shall not dissolve or otherwise dispose of all or substantially all of its assets and shall not consolidate with or merge into another entity without the prior written consent of the City, which consent shall be at its reasonable discretion. Failure to abide by this subsection is an Event of Default.

E. The occurrence of an “Event of Default” under the City HOME Mortgage, City HOME Note, or the Restrictive Real Estate Covenants.

Section 11.2. No Remedy Exclusive. No remedy herein conferred upon or reserved to the City nor any remedy conferred upon or reserved to the City pursuant to the City HOME Mortgage or the City HOME Note 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 City 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.

Section 11.3. Agreement to Pay Attorneys’ Fees and Expenses. If Developer defaults under any of the provisions of this Agreement or the City HOME Mortgage, City HOME Note, or Restrictive Real Estate Covenants and the City employs attorneys or incurs other expenses for the enforcement of performance or observance or any obligations or agreement on the part of Developer herein

contained in this Agreement, the City HOME Mortgage, the City HOME Note, or Restrictive Real Estate Covenants, Developer agrees that it shall on demand therefor pay to the City the reasonable fees of such attorneys and such other reasonable expenses incurred by the City in preserving and protecting the City's rights under this Agreement.

Section 11.4. No Additional Waiver Implied by One Waiver. If any agreement contained in this Agreement should be breached by either Party and thereafter waived by the Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach.

Section 11.5. Redemption Period. In the event the City shall elect to foreclose the City Mortgages in accordance with this Agreement, the period of redemption shall be one (1) month in lieu of nine (9) months.

Section 11.6. Remedies Upon Default.

A. Upon any Event of Default ("Default") and regardless of any other notices previously provided, the City may send a Final Notice of Default to Developer describing the Default and requiring cure within fifteen (15) days from the date of the mailing or delivery of the Notice.

B. If the Default is not cured or arrangements satisfactory to the City made to cure the Default, the City may elect to (1) accelerate, impose interest and call due the City HOME Note and the City HOME Mortgage; and (2) sue for compensatory damages suffered by the City due to the Default as well as, if appropriate, punitive damages.

ARTICLE XII

Miscellaneous

Section 12.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the City:

Authorized City Representative
Director, Department of Health, Housing & Homelessness
Or Successor Department
City of Albuquerque
Post Office Box 1293
Albuquerque, NM 87103

If to Developer:

Authorized Developer Representative
Greater Albuquerque Housing Partnership
320 Gold Avenue SW, Suite 918
Albuquerque, NM 87102

Greater Albuquerque Housing Partnership
Farolito Senior Community
HOME \$4,187,152 Grant
2023

The City and Developer may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificate or other communication shall be sent.

Section 12.2. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the City, Developer and their respective successors and assigns, subject however to the limitations contained herein.

Section 12.3. Severability. In the event any covenant, condition or provision herein is held to be invalid, illegal, or unenforceable by any court of competent jurisdiction, such covenant, condition or provision shall be deemed amended to conform to applicable laws so as to be valid or enforceable or, if it cannot be so amended without materially altering the intention of the parties, it shall be stricken. If stricken, all other covenants, conditions and provisions of this Agreement shall remain in full force and effect provided that the striking of such covenants, conditions or provisions does not materially prejudice either the City or the Developer in its respective rights and obligations contained in the valid covenants, conditions or provisions of this Agreement.

Section 12.4. Amendments, Changes and Modifications. Except as otherwise provided in this Agreement or in the City Mortgages, this Agreement shall not be effectively amended, changed, modified, altered or terminated except by mutual written agreement of the Parties.

Section 12.5. Execution of Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 12.6. Other Instruments. Developer and the City covenant that they shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such instrument, supplemental hereto and further acts, instruments and transfers as may be required hereunder.

Section 12.7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico and the laws, rules and regulations of the City of Albuquerque, in addition to federal laws and regulations which apply to this Agreement.

Section 12.8. Recording. This Agreement as well as the City HOME Mortgage, City HOME Note, and Restrictive Real Estate Covenants and every assignment and modification thereof shall be recorded in the office of the County Clerk of Bernalillo County New Mexico.

Section 12.9. No Pecuniary Liability of City. No provision, covenant or agreement contained in this Agreement or any obligations herein imposed upon the City or the breach thereof shall constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitations of the State of New Mexico or shall constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers.

Section 12.10. Officials, Agents and Employees Not Personally Liable. No official, agent or employee of the City and no member of the City Council shall be personally liable on this Agreement.

Section 12.11. Waiver. No provisions of this Agreement shall be deemed to have been waived by either party unless such waiver is in writing, signed by the party making the waiver and addressed to the other party, nor shall any custom or practice which may evolve between the parties in the administration of the terms of this Agreement be construed to waiver or lessen the right of either party to insist upon the performance of the other party in strict accordance with the terms of this Agreement. Further, the waiver by any party of a breach by the other party or any term, covenant, or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition thereof.

Section 12.12. Gender, Singular/Plural. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

Section 12.13. Captions and Section Headings. The captions, section headings, and table of contents contained in this Agreement are for convenience of reference only, and in no way limit, define, or enlarge the terms, scope, and conditions of this Agreement.

Section 12.14. Relationship of Contract Documents. All documents attached to this Agreement or incorporated into this Agreement are complementary, and any requirement of one contract document shall be as binding as if required by all. Any inconsistency among the various documents shall be resolved in favor of the language in this Development Agreement which, along with its amendments, if any, is deemed to be the primary document.

Section 12.15. Exhibits, Certificates, Documents Incorporated and Attachments. Incorporation by Reference: All certificates, documents, exhibits, attachments, riders, and addenda referred to in this Agreement are hereby incorporated into this Agreement by reference and made a part hereof as though set forth in full in this Agreement to the extent they are consistent with its conditions and terms.

Section 12.16. Governmental Rights and Powers. Nothing in this Agreement shall be construed or interpreted as limiting, relinquishing, waiving, or defining governmental rights and the police powers of the City or abrogating the requirement of any ordinance.

Section 12.17. Cross References. References in the text of this Agreement to articles, sections, or exhibits pertain to articles, sections or exhibits of this Agreement unless otherwise specified.

Section 12.18. Time is of the Essence. Subject to the qualifications otherwise set forth herein, time is of the essence in the performance of this Agreement.

Section 12.19. Assignment and Subletting. Except for the assignment of this Agreement to the Development Entity, the Developer shall not delegate, assign, sublet, mortgage or otherwise transfer, in whole or in part, any of the rights or responsibilities granted in this Agreement or the

City HOME Mortgage, the City HOME Note, and the Restrictive Real Estate Covenants without the prior written approval of the City. The City has no obligation to and shall not be required to approve any assignment or other transfer of this Agreement that would result in the services required in this Agreement being performed by any other person or entity other than the Developer.

Section 12.20. No Partnership or Agency. Nothing contained in this Agreement is intended or shall be construed in any respect to create or establish any relationship other than that of the Owner and Developer, and nothing herein shall be construed to establish any partnership, joint venture or association or to make Developer the general representative or agent of City for any purpose whatsoever.

Section 12.21. Force Majeure. Except as expressly provided in this Agreement, neither City nor Developer shall be deemed to be in default hereunder if either party is prevented from performing any of the obligations, other than payment of rental, fees and charges hereunder, by reason of strikes, boycotts, labor disputes, embargoes, shortages of energy or materials, acts of the public enemy, weather conditions and the results of acts of nature, riots, rebellion, sabotage, pandemic, epidemic, or any other similar circumstances for which it is not responsible, are not within its control, or are not reasonably foreseeable. After the termination of any such event of Force Majeure forbearance shall terminate, the obligation to perform shall recommence with an appropriate and reasonable extension to any deadlines.

Section 12.22. Forum Selection. Any cause of action, claim, suit, demand, or other case or controversy arising from or related to this Agreement shall only be brought in a state district court located in Bernalillo County, New Mexico or in a federal district court located in New Mexico. The parties irrevocably admit themselves to, and consent to, the jurisdiction of either of both said courts. The provisions of this section shall survive the termination of this Agreement.

Section 12.23. Compliance with Laws. The Developer shall comply with all applicable laws, ordinances, regulations and procedures of Federal, State, and local governments in the development, construction, maintenance and management of the Project.

Section 12.24. Savings. City and Developer acknowledge and agree that they have thoroughly read this Agreement, including all exhibits thereto, and have sought and received whatever competent advice and counsel was necessary for them to form a full and complete understanding of all rights and obligations herein. City and Developer further acknowledge that the Agreement is the result of negotiations between them and this Agreement shall not be construed against either party by reason of that party's preparation of all or part of this Agreement.

Section 12.25. Survival. All obligations, covenants and agreements contained herein which are not performed at or before the Closing but which are to be performed after the Closing as provided in this Agreement shall survive the closing of this transaction.

Section 12.26. Approval Required. This Agreement shall not become effective or binding until approved by the highest approval authority required by the City under this Agreement. The effective date of this Agreement shall be the date of signature of the highest approval authority required by the City.

Greater Albuquerque Housing Partnership
Farolito Senior Community
HOME \$4,187,152 Grant
2023

Section 12.27. Agreement Binding. This Agreement and all parts contained herein shall be binding upon each party and such transferees, their successors, assigns and all parties claiming by, through or under any of them. It is further agreed that each and every conveyance of any portion of the Project shall contain the covenants specified in this Agreement and those contained in Exhibit I, Restrictive Real Estate Covenants, attached hereto.

Section 12.28. Electronic Signatures. In accordance with NMSA 1978 § 14-16-1 *et seq.*, the parties agree to accept the use of electronic signatures for purposes of this Agreement. The parties agree that this Agreement may be electronically signed and that the electronic signatures appearing on the Agreement are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility. Where this Agreement requires a signature or record to be notarized, acknowledged, verified or made under oath, the requirement is satisfied if the electronic signature of the person authorized to perform those acts, together with all other information required to be included by other applicable law, is attached to or logically associated with the signature or record.

(THIS SPACE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF the City and Developer have caused this Agreement to be executed in their respective names and all upon the final date of signature.

CITY OF ALBUQUERQUE

Approved By:

DocuSigned by:



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

 Samantha Sengel, Chief Administrative Officer
City of Albuquerque

Date: 12/19/2023 | 11:14 AM MST

DocuSigned by:



72F4E134004641B...

  Carol M. Pierce, Director
Department of Health, Housing & Homelessness

Date: 12/19/2023 | 8:45 AM MST

DocuSigned by:



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Lauren Keefe, City Attorney

Date: 12/19/2023 | 9:36 AM MST

DEVELOPER:

Greater Albuquerque Housing Partnership
(Signature below must be that of a board member or officer authorized to bind the corporation).

DocuSigned by:



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By:  Felipe Rael, Executive Director

Exhibit A

Definitions

The following additional terms, except where the context indicates otherwise, shall have the respective meanings set forth below:

1. “Act” means the HOME Investment Partnerships Act at Title II of the Cranston-Gonzales National Affordable Housing Act, as amended, 42 U.S.C. 12701 *et seq.*
2. “AMI” means Area Median Income which is the annual income figure for a specific geographic area which is determined annually by the U.S. Department of Housing and Urban Development and adjusted for family size.
3. “Authorized City Representative” for the purposes of this Agreement shall be the Director of the Department of Health, Housing & Homelessness or his/her designee.
4. “Authorized Developer Representative” means the person designated and legally authorized to act on behalf of the Developer.
5. “Buildings” means those certain buildings and all other structures, improvements, equipment, fixtures and facilities described or shown in the plans and specifications forming a part of the Project which are now or hereafter located on the Real Property as they may at any time exist.
6. “City” means the Department of Health, Housing & Homelessness, City of Albuquerque, New Mexico, which is acting on behalf of the City as manager of this Agreement and does not obligate other City Departments which have separate and distinct obligations in regard to planning, zoning, inspections, licensing and permitting.
7. “City Grant” means that amount of funds authorized under this Agreement and provided through the City to construct the Project.
8. “City HOME Mortgage” means the mortgage against the Real Property, in substantially the form set forth in Exhibit C attached hereto, executed by the Developer in favor of the City to secure repayment of the City Grant in accordance with Section 5.2 herein.
9. “City HOME Note” means the promissory note, substantially in the form attached hereto as Exhibit D, which evidences the obligation of the City Grant, in accordance with Section 5.2 herein.
10. “City Mortgage” means the City HOME Mortgage.
11. “City Note” means the City HOME Note.

12. “Closing” means the event of the real estate closing of the City Grant and transfer of the Real Property wherein all parties and all sources of Project funding are identified as shown in Exhibit E, and the City HOME Mortgage, the City HOME Note, and the Restrictive Real Estate Covenants are executed by Developer in favor of the City and recorded in the County Clerk’s office.

13. “Completion Date” means the date of completion of the construction of the Project as that date shall be certified pursuant to Section 4.2 hereof.

14. “Construction Period” means the period between the beginning of construction or installation of the Project and the Completion Date.

15. “Council” means the Council of the City or any successor governing body of the City.

16. “Developer” means the natural or artificial person who enters into a Development Agreement with the City for the purpose of constructing, owning or managing a Project under the Act. The term Developer includes the initial entity, its partners, successors, assigns, agents and representatives.

17. “HOME Affordability Period” means twenty (20) years from the City’s completion of the Project in the HUD Integrated Disbursement and Information System (IDIS).

18. “HOME Assisted Unit” means that residential unit, which either directly, or indirectly, has received financial assistance for acquisition and/or construction from funds authorized in the Act. In rental projects where the funds provided through the Act are only a portion of the total Project cost, a prorated number of units shall be defined in Exhibit I – Restrictive Real Estate Covenants and designated as floating HOME-assisted units.

19. “Net Proceeds” when used with respect to any insurance payment or condemnation award means the gross proceeds from the insurance payment or condemnation award with respect to which that term is used remaining after payment of all expenses (including attorney’s fees) incurred in the collection of such gross proceeds.

20. “Person” means any natural person, firm association, trust, partnership, corporation or public body.

21. “Plans, Specifications and Elevations” means the plans, specifications and elevations for the Project as they shall be revised by Developer pursuant to Section 5.1 hereof.

22. “Program Income” means that portion of income generated from the Project subject to the requirements of 24 CFR Part 92 for HOME funded projects.

23. “Project” means the residential apartment development to be constructed upon the Real Property, including Buildings, related on-site and off-site improvements, equipment and related rights therein.

24. “Real Property” or “Property” means the real estate that is described in Exhibit B, and improvements thereon (if any), interest in real estate and other rights purchased under this Agreement and any instrument supplementing or amending this Agreement together with all additions thereto and substitutions therefore, less such real estate and interests in real estate taken by the exercise of the power of eminent domain as provided herein.

25. “Restrictive Real Estate Covenants” means those real estate covenants imposed on the Property in the form attached as Exhibit I to insure the City’s goals in regards to the Project.

26. “Special Needs” households means people experiencing homelessness and/or people with physical or developmental disabilities or chronic mental illnesses as defined in HUD’s Handbook 4571.2, Section 1-5, Parts A.2. and A.3.

27. “Utility Allowance” is the amount established by a schedule that is appropriate for a specific rent to cover the cost of utilities that are paid to the utility company as approved by the City.

Exhibit B

Greater Albuquerque Housing Partnership
Farolito Senior Community

10501 Central Avenue NE

Parcel A as shown on the Boundary Survey of Tract C, Video Addition and Parcels of Land Owned by the State of New Mexico Situated Within the NW1/4 NW1/4 Sec.28,T10N, R4E, NMPM, April 2016, recorded with the County Clerk of Bernalillo County on February 12, 2020 as Doc. No. 2020013489, containing 2.2856 acres, more or less.

Exhibit C

Greater Albuquerque Housing Partnership

FAROLITO SENIOR COMMUNITY

**HOME Investment Partnerships (HOME)
MORTGAGE AND SECURITY AGREEMENT
(Not to Exceed the Principal Sum of \$8,374,304.00)**

KNOW ALL MEN BY THESE PRESENTS THAT this instrument ("Mortgage") made this ____ day of _____, 2023, between FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability limited partnership, whose address is 320 Gold Avenue SW, Suite 918, Albuquerque, NM 87102, as mortgagor ("Borrower"), and THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP, a New Mexico non-profit corporation, whose address is 320 Gold Avenue SW, Suite 918, Albuquerque, NM 87102, as mortgagee ("Lender").

WITNESSETH:

WHEREAS, Borrower is indebted to Lender for the City Grant in the amount of **Four Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$4,187,152.00)**, which indebtedness is evidenced by that certain Promissory Note of even date herewith (the "City Note"); and

WHEREAS, Lender has entered into that certain agreement, entitled "Development Agreement" with the City of Albuquerque, New Mexico, and THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP ("Development Agreement") as of _____, 2023, which Development Agreement has been assigned by Lender to Borrower and assumed by Borrower and provides for the Borrower to construct a certain affordable housing project ("Project"), as defined and described in said Development Agreement; and

WHEREAS, the Borrower and Lender have also filed certain Restrictive Real Estate Covenants in favor of the City which restrict the use of the real property described below for the purposes underlying the grant evidenced by the City Note; and

WHEREAS, the Project shall be continued for twenty (20) years from the completion of the project in the Department of Housing and Urban Development's (HUD's) Integrated Disbursement Information System (which 20-year period is hereinafter identified as the "Affordability Period").

NOW THEREFORE, BORROWER DOES HEREBY MORTGAGE, GRANT, BARGAIN, SELL, ASSIGN, AND GRANT A SECURITY INTEREST IN AND CONVEY TO LENDER, its successors and assigns, all of Borrower's estate, right, title, and interest in, to and under any and all of the following described real property, whether now owned or hereafter held or acquired, with mortgage covenants:

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(a) All of Borrower's fee simple estate and interest in those certain parcels of real property situated in the City of Albuquerque, County of Bernalillo, and State of New Mexico, and containing:

Parcel A as shown on the Boundary Survey of Tract C, Video Addition and Parcels of Land Owned by the State of New Mexico Situated Within the NW1/4 NW1/4 Sec.28,T10N, R4E, NMPM, April 2016, recorded with the County Clerk of Bernalillo County on February 12, 2020 as Doc. No. 2020013489, containing 2.2856 acres, more or less.

Which has the address of 10501 Central NE, Albuquerque, New Mexico 87123, and which is referred to hereafter as the "Property;"

(b) All rents, issues, profits, royalties, income and other benefits derived from the Property (collectively the "Rents"), including but not limited to those payable pursuant to any leases or licenses to use the Property, subject to the right, power and authority hereinafter given to Borrower to collect and apply such Rents and all leasehold estates, right, title and interest of Borrower in and to all leases or subleases covering the Property or any portion thereof now or hereafter existing or entered into, and all right, title and interest of Borrower thereunder, including without limitation, all cash or security deposits, advance rentals, and deposits or payments of similar nature;

(c) All and singular the buildings and improvements, structures, additions, tenements, easements, hereditament, and appurtenances belonging or in anywise appertaining to the aforesaid Property, now existing or hereafter acquired, installed, or constructed and the reversion or reversions, remainder and remainders rents, issues, and profits thereof and also all the estate, right, title, interest, property, claim and demand whatsoever of Borrower of, in, and to the same, and of, in and to every part and parcel thereof;

(d) All right, title and interest of Borrower, if any, in and to the land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Property to the centerline hereof;

(e) All right, title and interest of Borrower in all fixtures, fittings, appliances, apparatus, equipment, machinery, building materials, inventory and other articles of personal property and replacements thereof, now or at any time hereafter affixed to, attached to, placed upon or used in anyway in connection with the complete and comfortable use, enjoyment, occupancy or operation of the Property or the Project, together with any proceeds realized from the sale, transfer or conversion of any of the above (subject to the right of replacement described in the City Note);

(f) All proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims, including, without limitation, proceeds of insurance and condemnation awards or judgments, and any unearned premiums accrued, accruing or to accrue under any and all insurance policies now or hereafter obtained by Borrower;

(g) To the extent assignable, any and all plans, specifications, site plans, drawings, renderings and schematics, however characterized, from time to time prepared for use in connection with the construction and operation of the Project;

(h) To the extent assignable, all contracts, agreements and understandings now or hereafter entered into, relating to or involving the performance of any work, the rendering of any services, the supply of any materials or the conduct of operations in the management of the Property or the Project, including without limitation, construction contracts, architect agreements, development agreements, management agreements with respect to hotel operations, franchise agreements and other similar agreements;

(i) To the extent assignable, any and all permits, certificates, approvals and authorizations, however characterized, issued or in any way furnished, whether necessary or not, for the operation and use of the Property and/or the Project, including, without limitation, building permits, environmental certificates, certificates of occupancy, certificates of operation, room permits, bar or restaurant permits, liquor or cabaret licenses, food service operation licenses, elevator licenses, warranties and guaranties; and

(j) All municipal or utility deposits made by or on behalf of Borrower or made in connection with the Property or the Project, together with all escrow accounts or reserves maintained or required to be maintained by Borrower hereunder, and any and all other assets revenues and profits of any kind of the Project.

(k) All right, title and interest of Borrower in and to all options to purchase or lease the Property or any portion thereof or interest therein, and any greater estate in the Property owned or hereafter acquired by Borrower;

(l) All interests, estate or other claims, both in law and in equity, which Borrower now has or may hereafter acquire in the Property;

(m) All easement, rights-of-way and rights used in connection therewith or as a means of access thereto or which are otherwise of benefit thereto or to the users thereof, and all tenements, hereditaments and appurtenances thereof and thereto;

(n) All the estate, right, title, interest, other claim or demand which Borrower now has or may hereafter acquire in any contract for the sale or other disposition of the Property or any portion thereof, and any and all proceeds to Borrower thereunder;

(o) All the estate, interest, right, title, other claim or demand, which Borrower now has or may hereafter acquire in any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Property, including without limitation any awards resulting from a change of grade of streets and awards for severance damages;

(p) All the estate, interest, right, title and other claim or demand which Borrower now has or may hereafter acquire with respect to the proceeds of insurance in effect with respect to all or any part of the Property; and,

(q) All the estate, interest, right, title and other claim or demand which Borrower now has or may hereafter acquire against anyone with respect to any damage to all or any part of the Property, including without limitation, damage arising from any defect in or with respect to the design or construction of all or any part of the Improvements and damage resulting therefrom.

All and the entire estate, property and interest hereby conveyed to Lender and herein described in the foregoing subparagraphs (a) through (q) shall sometimes hereinafter be collectively referred to as the "Property." All of the assignments hereinabove referenced are subject to the right of Borrower to collect, receive, apply, manage, and use the rights assigned until the occurrence of an event of default hereunder. The maximum amount of unpaid loan indebtedness, exclusive of interest thereon, which may be outstanding at any time is **Eight Million, Three Hundred Seventy-Four Thousand, Three Hundred Four Dollars and No Cents (\$8,374,304.00), provided that the maximum amount secured by this Mortgage shall not in any way imply that Lender shall be obligated to advance any amounts at any time.**

THE SECURED OBLIGATION

This Mortgage secures the performance of the following obligations: (i) the repayment of the indebtedness evidenced by the City Note as disbursed to Borrower from time to time, together with interest thereon, in accordance with the payment provisions set forth in the Agreement, the City Note, the Restrictive Real Estate Covenants and all renewals, extensions and modifications thereof, and the performance of all covenants contained therein, and the payment of such amounts, if any, advanced, or costs incurred by Lender in accordance herewith to protect the security of this Mortgage or in connection with the enforcement of this Mortgage or City Note; (ii) the performance of the covenants, agreements and obligations of Borrower contained herein, and as also contained in the Agreement, the City Note and the Restrictive Real Estate Covenants, and is upon the statutory mortgage condition for the breach of which it is subject to foreclosure as provided by law. In addition to the other debt or obligation secured hereby, this Mortgage shall secure unpaid balances of advances made for the payment of taxes, tax increment payments, assessments, insurance premiums, and other costs incurred for the protection of the Real Property or the Project, if not paid by Borrower as required by law or this Mortgage.

ARTICLE I **COVENANTS AND AGREEMENTS OF BORROWER**

To protect the security of this Mortgage, Borrower hereby covenants and agrees as follows:

1.1. Payment of Secured Obligations. To pay when due the principal of, and the interest on, the indebtedness evidenced by the City Note, and charges, fees and other sums as provided by the Restrictive Real Estate Covenants and the Agreement, and the principal of and interest on, any future advances secured by this Mortgage. This Mortgage, the City Note, the Restrictive Real Estate Covenants and the Agreement and any other instrument given to evidence or further secure

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the payment and performance of any obligation secured hereby, may hereafter be referred to as the “Loan Instruments.”

1.2. Application of Payments. All payments under the Loan Instruments and this Mortgage shall be applied by Lender as follows:

- (a) First, to any tax payment not paid by Borrower and fire, flood and other hazard insurance premiums required by this Mortgage and not paid by Borrower;
- (b) Second, to interest due under the Note;
- (c) Third, to the principal; and
- (d) Fourth, to late charges due under the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, if any, of the Periodic Payments.

1.3. Maintenance, Repair, Alterations. To keep the Property in good condition and repair; to construct or alter existing and future improvements of any kind only in accordance with plans and specifications that have been approved in writing by Lender, which approval not be withheld unreasonably (except alterations as may be required by laws, ordinances or regulations and minor alterations in the normal course of business); not to demolish any of the Improvements; to complete promptly and in good and workmanlike manner any building or other improvement which may be constructed on the Property and promptly restore in like manner any Improvements which may be damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor (subject to the right to contest mechanic’s and materialman’s liens pursuant to the section entitled “Liens”), to comply with all laws, ordinances, regulations, covenants, conditions and restrictions now or hereafter affecting the Property or any part thereof or requiring any alterations or improvements; not to commit or permit any waste or deterioration of the Property; to keep and maintain abutting grounds, sidewalks, roads, parking and landscaping areas in good and neat order and repair; not to commit, suffer or permit any act to be done in or upon the Property in violation of any law, ordinance or regulation.

1.4. Required Insurance. To provide, maintain and keep in force to the extent from time to time required by Lender, and as required by the Loan Instruments, the following policies of insurance:

- (a) Insurance against loss or damage to the Improvements by fire and any of the risks covered by insurance of the type now known as “fire and extended coverage,” in an amount not less than one hundred percent (100%) of the full replacement costs of the Improvements (exclusive of the cost of excavations, foundations, and footings below the lowest basement floor). The policies of insurance carried in accordance with this subparagraph (a) shall contain the “Replacement Cost Endorsement;”
- (b) Comprehensive public liability insurance on an “occurrence basis” against claims for “personal injury” including without limitation bodily injury, death or property damage occurring on, in or about the Property and the adjoining streets, sidewalks and passageways, such insurance to afford immediate minimum protection to a limit reasonable determined by Lender with respect to personal injury or death to any one or more persons or damage to property;

- (c) Insurance against loss or damage to any personal property that is part of the Property by fire and other risks covered by insurance of the type now known as “fire and extended coverage,” in an amount not less than one hundred percent (100%) of the insurable value of such personal property, excepting collision on any motor vehicles constituting part thereof;
- (d) Business interruption insurance and/or loss of “rental value” insurance in such amounts as are satisfactory to Lender;
- (e) During the course of any construction or repair of Improvements on the Property, comprehensive public liability insurance including Builder’s Risk and Fire Insurance (including coverage for elevators and escalators, if any, on the Property and if any construction of new Improvements occurs after execution of this Mortgage, completed operations coverage for two years after construction of the Improvements has been completed) on an “occurrence basis” against claims for “personal injury,” including without limitation bodily injury, death or property damage occurring on, in or about the Property and the adjoining streets, sidewalks, and passageways, such insurance to afford immediate minimum protection to a limit of not less than that required by Lender with respect to personal injury or death to any one or more persons or damage to property;
- (f) During the course of any construction or repair of Improvements on the Property, worker’s compensation insurance (including employer’s liability insurance, if required by Lender) for all employees in such amount as is reasonably satisfactory to Lender, or, if such limits are established by law, in such amounts;
- (g) During the course of any construction or repair of Improvements on the Property, builder’s completed value risk insurance against “all risks of physical loss,” including collapse and transit coverage, during construction of such Improvements, with deductibles reasonably acceptable to Lender, in non-reporting form, covering the total values of work performed and equipment, supplies and materials furnished. Said policy of insurance shall contain the “permission to occupy upon completion of work or occupancy” endorsement;
- (h) Boiler and machinery insurance covering pressure vessels, air tanks, boilers, machinery, pressure piping, heating, air conditioning and elevator equipment and escalator equipment, provided the Improvements contain equipment of such nature, and insurance against loss of occupancy or use arising from any such breakdown, in such amounts as are satisfactory to Lender; and
- (i) Such other insurance, and in such amounts, as may from time to time be required by Lender against the same or other hazards.

1.5. Delivery of Certificate, Payment of Premiums. Upon execution hereof and thereafter upon written request by Lender, Borrower shall furnish Lender with a certificate of insurance for each such policy setting forth the coverage, the limits of liability, the name of the carrier, the policy number, and the expiration date. Prior to the expiration of each such policy, Borrower shall furnish Lender with evidence satisfactory to Lender of the payment of premium and the reissuance of a policy continuing insurance in force as required by this Mortgage. All such policies shall contain a provision that such policies will not be canceled or materially amended, which term shall include any reduction in the scope or limits of coverage, without at least thirty (30) days prior written notice to Lender. In the event Borrower fails to provide, maintain, keep in force or deliver and

furnish to Lender the policies of insurance required by this Section, Lender may procure such insurance or single interest insurance for such risks covering Lender's interest and Borrower will pay all premiums thereon promptly upon demand by Lender.

1.6. Insurance Proceeds. That after the happening of any casualty to the Property or any part thereof, Borrower shall give prompt written notice thereof to Lender. All proceeds of insurance payable with respect to any such casualty shall be paid to Lender, and Borrower hereby authorizes and directs any affected insurance company to make payment of such proceeds directly to Lender. Lender is hereby authorized and empowered by Borrower to settle, adjust or compromise any claims of loss, damage or destruction under any policy or policies of insurance, provides that Borrower consent to any such settlement, adjustment or compromise, which consent shall not be withheld unreasonably. Except to the extent that insurance proceeds are received by Lender and applied to the indebtedness secured hereby, nothing herein contained shall be deemed to excuse Borrower for repairing or maintaining the Property as provided in Section 1.2 hereof or restoring all damage or destruction to the Property, regardless of whether there are insurance proceeds available or whether any such proceeds are sufficient in amount, and the application or release by Lender of any insurance proceeds shall not cure or waive any Default or notice of default under this Mortgage or invalidate any act done pursuant to such notice.

1.7. Assignment of Policies upon Foreclosure. In the event of foreclosure of this Mortgage or other transfer of title or assignment of the Property in extinguishment, in whole or in part, of the debt secured hereby, all right, title and interest of Borrower in and to all policies of insurance required by this Mortgage shall inure to the benefit of and pass to the successor in interest of Borrower or the purchaser or grantee of the Property.

1.8. Indemnifications; Subrogation.

- (a) If Lender is made a party defendant to any litigation concerning this Mortgage or the Property or any part thereof or interest therein, or the occupancy thereof by Borrower, then Borrower shall indemnify, defend and hold Lender harmless from all liability by reason of said litigation, including reasonable attorneys' fees and expenses incurred by Lender in any such litigation, whether or not any such litigation is prosecuted to judgment. Notwithstanding the foregoing, such agreement to indemnify, to the extent, but only to the extent, it relates to the construction, installation, alteration, modification, repair, maintenance, servicing, demolition, excavation, drilling, reworking, grading, paving, clearing, site preparation or development, of real property, or any improvement of any kind whether on, above, or under real property, including without limitation, buildings, shafts, wells and structures, shall not extend to liability, claims, damages, losses or expenses, including attorneys' fees, arising out of: (1) the preparation or approval of maps, drawings, opinions, reports, surveys, change orders, designs or specifications by Lender or its agents or employees; or (ii) the giving of or the failure to give directions or instructions by the Lender or its agents or employees, where such giving or failure to give directions is the primary cause of bodily injury to persons or damage to property. If Lender commences an action against Borrower to enforce any of the terms hereof or because of the breach of Borrower of any of the terms hereof, or for the recovery of any sum secured hereby, Borrower shall

pay to Lender reasonable attorneys' fees and expenses, and the right to such attorneys' fees and expenses shall be deemed to have accrued on the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

- (b) Borrower waives any and all right to claim or recover against Lender, its officers, employees, agents and representatives, for loss or damage to Borrower, the Property, Borrower's property or the property of others under Borrower's control from any cause insured against or required to be insured against by the provisions of this Mortgage.
- (c) All sums payable by Borrower hereunder shall be paid without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of Borrower hereunder shall in no way be released, discharged or otherwise affected (except as expressly provided herein) by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Property or any part thereof; (ii) any restriction or prevention of or interference with any use of the Property or any part thereof; (iii) any title defect or encumbrance of any interference with any use of the Property or any part thereof; (iv) any title defect or encumbrance or any eviction from the Property or any part hereof by title paramount or otherwise; (v) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Lender; or (vi) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not Borrower waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any sum secured hereby and payable by Borrower.

1.9. Taxes and Impositions.

- (a) Borrower agrees to pay, at least ten (10) days prior to delinquency, all real property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever, including without limitation nongovernmental levies or assessments such as maintenance charges, owner association dues or charges or fees, levies or charges resulting from covenants, conditions and restrictions affecting the Property, which are assessed or imposed upon the Property, or become due and payable, and which create, may create or appear to create a lien upon the Property, or any part thereof, or upon any personal property, equipment or other facility used in the operation or maintenance thereof (all of which taxes, assessments and other governmental charges of like nature are hereinafter referred to as "Impositions"); provided, however, that if, by law, any such Imposition is payable, or may at the option of the taxpayer be paid, in installments, Borrower may pay the same together with any accrued interest on the unpaid balance of such Imposition in installments as the same become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest.
- (b) If at any time after the date hereof there shall be assessed or imposed (i) a tax or assessment on the Property in lieu of or in addition to the Impositions payable by Borrower pursuant to subparagraph (a) hereof, or (ii) a license fee, tax or

assessment imposed on Lender and measured by or based in whole or in part upon the amount of the outstanding obligations secured hereby, then all such taxes, assessments or fees shall be deemed to be included within the term "Impositions" as defined in subparagraph (a) hereof, and Borrower shall pay and discharge the same as herein provided with respect to the payment of Impositions. Anything to the contrary herein notwithstanding, Borrower shall have no obligation to pay any franchise, estate, inheritance income, excess profits or similar tax levied on Lender or on the obligations secured hereby.

- (c) Subject to the provisions of subparagraph (d) of this Section 1.9., Borrower covenants to furnish Lender upon Lender's request from time to time official receipts of the appropriate taxing authority, or other proof satisfactory to Lender, evidencing the payments thereof.
- (d) Borrower shall have the right before any delinquency occurs to contest or object to the amount or validity of any such Imposition by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying or extending Borrower's covenant to pay any such Imposition at the time and in the manner provided in this Section 1.9., unless Borrower has given prior written notice to Lender of Borrower's intent to contest or object to an Imposition, and unless, at Lender's sole option, (i) Borrower shall demonstrate to Lender's satisfaction that the legal proceedings shall conclusively operate to prevent the sale of the Property, or any part thereof, in order to satisfy such Imposition prior to final determination of such proceedings; or (ii) Borrower shall furnish a good and sufficient bond or surety as requested by and satisfactory to Lender; or (iii) Borrower shall have provided a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of such proceedings.

1.10. Utilities. To pay when due all utility charges which are incurred by Borrower for the benefit of the Property or which may become a charge or lien against the Property for gas, electricity, water or sewer services furnished to the Property and all other assessments or charges of a similar nature, whether public or private, affecting the Property or any portion thereof, whether or not such taxes, assessments or charges are liens thereon.

1.11. Actions Affecting Property. To appear in and contest any action or proceeding purporting to affect the security hereof or the rights or powers of Lender; and to pay all costs and expenses, including costs of evidence of title and attorneys' fees, in any such action or proceeding in which Lender may appear.

1.12. Actions by Lender to Preserve Property. That should Borrower fail to make any payment or to do any act as and in the manner provided in any of the Loan Instruments, Lender, in its sole and absolute discretion, but without any obligation to do so and without releasing Borrower from any obligation, without prior notice or demand upon Borrower, may make or do the same in such manner and to such extent as Lender may deem necessary to protect the security hereof. In connection therewith (without limiting its general powers), Lender shall have and is hereby given the right, but not the obligation, (i) to enter upon and take possession of the Property; (ii) to make additions, alterations, repairs and improvements to the Property which it may consider necessary or proper to keep the Property in good condition and repair; (iii) to appear and participate in any

action or proceeding affecting or which may affect the security hereof or the rights or powers of the Lender; (iv) to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in the judgment of Lender may affect or appears to affect the security of this Mortgage or be prior or superior hereto; and (v) in exercising such powers, to pay necessary expenses, including employment of counsel or other necessary or desirable consultants. Borrower shall, immediately upon demand therefor by Lender, pay all costs and expenses incurred by Lender in connection with the exercise by Lender of the foregoing rights, including without limitation costs of evidence of title, court costs, appraisals, surveys and attorneys' fees.

1.13. Survival of Covenants and Warranties. To satisfy and perform fully and faithfully the obligations of Borrower contained in the Loan Instruments, and each agreement of Borrower incorporated by reference therein or herein, and any modification or amendment thereof. All representations, warranties and covenants of Borrower contained therein or incorporated by reference shall survive the closing and funding of any loan evidenced by the Loan Instruments and shall remain continuing obligations, warranties and representations of Borrower during any time when any portion of the obligations secured by this Mortgage remains outstanding.

1.14. Eminent Domain. That should the Property, or any part thereof or interest therein, be taken or damaged by reason of any public improvement or condemnation proceeding or in any other manner ("Condemnation"), or should Borrower receive any notice or other information regarding such proceeding, Borrower shall give prompt written notice thereof to Lender. Lender shall be entitled to join in any action or proceedings for compensation, award and other payments or relief for Condemnation ("Proceeds") and shall be entitled to hold all Proceeds therefrom. All Proceeds shall be paid to Lender and shall be applied by Lender to any indebtedness secured hereby and in such order as Lender may determine.

1.15. Additional Security. That in the event Lender at any time holds additional security for any of the obligations secured hereby, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before or concurrently herewith or after a sale is made hereunder.

1.16. Successors and Assigns. That this Mortgage applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Lender" shall mean the owner and holder of the Note, whether or not named as Lender herein.

1.17. Inspections. That Lender, or its agents, representatives or workmen, are authorized to enter at any reasonable time upon or in any part of the Property for the purpose of inspecting the same and for the purpose of performing any of the acts it is authorized to perform under the terms of any of the Loan Instruments.

1.18. Liens. To pay and discharge promptly, at Borrower's cost and expense, all liens, encumbrances and charges upon the Property, or any part thereof or interest therein; provided that the existence of any mechanic's, laborer's, materialman's, supplier's or vendor's lien or right thereto shall not constitute a violation of this Section if payment is not yet due under the contract which is the foundation thereof and if such contract does not postpone payment for more than fifty-five (55) days after the performance thereof. Borrower shall have the right to contest in good faith

the validity of any such lien, encumbrance or charge, provided Borrower shall first deposit with Lender a bond or other security satisfactory to Lender in such amounts as Lender shall reasonably require, but not more than one hundred twenty-five percent (125%) of the amount of the claim, and provide further that Borrower shall thereafter diligently proceed to cause such lien, encumbrance or charge to be removed and discharged. If Borrower shall fail to discharge any such lien, encumbrance or charge, then, in addition to any other right or remedy of Lender, Lender may, but shall not be obligated to, discharge the same, either by paying the amount claimed to be due, or by procuring the discharge of such lien by depositing in court a bond for the amount claimed or otherwise giving security for such claim, or in such manner as is or may be prescribed by law.

1.19. Easements. The existence and lien of this Mortgage shall not impede or affect the right of Borrower from time to time with respect to all or a portion of the Premises, to dedicate public areas by subdivision plat or otherwise, including streets, easements and park areas, grant to public utilities and other agencies entitled thereto ordinary and necessary easements, and apply for and obtain zoning acceptable to Borrower.

ARTICLE II

ASSIGNMENT OF RENTS, ISSUES AND PROFITS

2.1. Assignment of Rents. Borrower hereby assigns and transfers to Lender all the rents, issues and profits of the Property, including but not limited to those payable pursuant to any Lease, and hereby gives to and confers upon Lender the right, power and authority to collect such rents, issues and profits. Borrower irrevocably appoints Lender its true and lawful attorney-in-fact, at the option of Lender at any time and from time to time, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of Borrower or Lender, for all such rents, issues and profits and apply the same to the indebtedness secured hereby; provided, however, that Borrower shall have the right to collect such rents, issues and profits (but not more than two (2) months in advance) prior to or at any time there is not an event of default under any of the Loan Instruments. The assignment of rents, issues and profits of the Property in this Article II is intended to be an absolute assignment from Borrower to Lender and not merely the passing of a security interest. The rents, issues and profits are hereby assigned absolutely by Borrower to Lender contingent only upon the occurrence of a Default hereunder.

2.2. Collection upon Default. Upon any Default, Borrower may, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Property, or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees, upon any indebtedness secured hereby, and in such order as Lender may determine. The collection of such rents, issues and profits, or the entering upon and taking possession of the Property, or the application thereof as aforesaid, shall not cure or waive any Default or notice of Default hereunder or invalidate any act done in response to such Default or pursuant to such notice of Default.

ARTICLE III

SECURITY AGREEMENT

3.1. Creation of a Security Interest. Borrower hereby grants to Lender a security interest in the Personal Property, wherever located, including but not limited to those items described in the granting clause (b), above, and all property of similar type or kind, wherever located, and the proceeds therefrom, for the purpose of securing all obligations of Borrower contained in any of the Loan Instruments.

3.2. Warranties, Representatives and Covenants of Borrower. Borrower hereby warrants, represents and covenants as follows:

- (a) Except for the security interest granted hereby, Borrower is, and as to portions of the Personal Property to be acquired after the date hereof will be, the sole owner of the interest, encumbrance or adverse claims thereon of any person claiming by, under or through Borrower, except for such liens and encumbrances as may be expressly permitted by the Loan Instruments. Borrower will notify Lender of, and will defend the Personal Property against, all claims and demands of all persons claiming any interest therein by, under or through Borrower.
- (b) The Personal Property is not used or bought for personal, family or household purposes.
- (c) The Personal Property will be kept on or at the Property and Borrower will not remove the Personal Property from the Property without the prior written consent of Lender, except such portions or items of Personal Property as are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Borrower.
- (d) Borrower maintains its principal place of business in the State of New Mexico and Borrower will immediately notify Lender in writing of any change in its place of business as set forth in the beginning of this Mortgage.
- (e) Borrower approves Lender to execute and file one or more financing statements and renewals and amendments thereof pursuant to the Uniform Commercial Code of New Mexico in form satisfactory to Lender, and, if required by Lender, to pay the cost of filing the same in all public offices wherever filing is deemed by Lender to be necessary or desirable.
- (f) All covenants and obligations of Borrower contained herein relating to the Property shall be deemed to apply to the Personal Property whether or not expressly referred to herein.
- (g) This Mortgage constitutes a Security Agreement as the term is used in the Uniform Commercial Code of New Mexico.

ARTICLE IV **REMEDIES UPON DEFAULT**

4.1. Events of Default. Any of the following events shall be deemed an event of default ("Default") hereunder:

- (a) Failure to pay installment of principle or interest or any other sum secured hereby by its due date and such failure is not cured within five (5) business days after receipt of written notice from the Lender, such failure to pay or cure shall constitute an immediate default entitling the Lender to exercise any remedy hereafter

described in this paragraph, or elsewhere in this Mortgage, the City Note, or the Agreement; or

- (b) Borrower shall file a voluntary petition in bankruptcy or shall be adjudicated as bankrupt or insolvent, or shall file any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or shall seek or consent to or acquiesce to the appointment of any trustee, receiver or liquidator of Borrower or of all or any part of the Property, or of any or all of the royalties, revenues, rents, issues or profits thereof, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due;
- (c) A court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against Borrower seeking any reorganization, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, and such order, judgment or decree shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive) from the first date of entry thereof; or any trustee, receiver or liquidator of Borrower or of all or any part of the Property, or of any or all of the royalties, revenues, rents, issues or profits thereof, shall be appointed without the consent or acquiescence of Borrower and such appointment shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive);
- (d) There has occurred a breach of or default, not otherwise referred to in this Section 4.1, under any term, covenant, agreement, condition, provision, representation or warranty contained in the City Note or any other Loan Instruments or any part thereof, subject to any notice of cure rights expressly set forth in such Loan Instruments.

4.2. Acceleration upon Default, Additional Remedies. In the event of any Default, Lender may declare all indebtedness secured hereby to be due and payable and the same shall thereupon become due and payable without any presentment, demand, protest or notice of any kind. Thereafter Lender may:

- (a) Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court and without regard to the adequacy of its security, enter upon and take possession of the Property, or any part thereof, in its own name or in the name of Borrower, and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Property, or any part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Property, sue for or otherwise collect the rents, issues and profits thereof, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including attorneys' fees, upon any indebtedness secured hereby, all in such order as Lender may determine. The entering upon and taking possession of the Property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any Default and, notwithstanding the continuance in

possession of the Property or the collection, receipt and application of rents, issues or profits, Lender shall be entitled to exercise every right provided for in any of the Loan Instruments or by law upon occurrence of any Default;

- (b) Commence an action to foreclose this Mortgage, appoint a receiver, or specifically enforce any of the covenants hereof;
- (c) Exercise any other remedy available under the laws of the State of New Mexico.

4.3. Remedies Not Exclusive. Lender shall be entitled to enforce payment and performance of any indebtedness or obligations secured hereby and to exercise all rights and powers under this Mortgage or under any Loan Instrument or other agreement or any laws now or hereafter in force, notwithstanding that some or all of the said indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, pledge, lien assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to powers herein contained, shall prejudice or in any manner affect Lender's right to realize upon or enforce any other security now or hereafter held by Lender, it being agreed that Lender shall be entitled to enforce this Mortgage and any other security now or hereafter held by Lender in such order and manner as it may in its absolute discretion determine. No remedy herein conferred upon or reserved to Lender is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by any of the Loan Instruments to Lender or to which Lender may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Lender and Lender may pursue inconsistent remedies.

4.4 Notice to the City of Albuquerque of any Event of Default. Lender shall notify the City of Albuquerque should any Event of Default occur.

ARTICLE V

MISCELLANEOUS

5.1. Governing Law. This Agreement shall be governed by and construed under and in accordance with the laws of the State of New Mexico. The parties agree that venue for any suit, action, or proceeding arising out of this Agreement shall be in Bernalillo County, New Mexico.

5.2. Borrower Waiver of Rights. To the extent permitted by law, Borrower waives the benefit of all laws now existing or that hereafter may be enacted providing for (i) any appraisal before the sale of any portion of the Property, and (ii) the benefit of all laws that may be hereafter enacted in any way extending the time for the enforcement of the collection of the City Note, the Loan Instruments or the debt evidenced thereby or creating or extending a period of redemption from any sale made in collecting said debt. To the full extent Borrower may do so, Borrower agrees that Borrower will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisal, valuation, stay, extension or redemption, and Borrower, for Borrower's heirs, devisees, representatives, successors and assigns, and for any and all persons ever claiming any interest in the Property, to the extent permitted by law, hereby waives and releases all rights of redemption, valuation, appraisal, stay of execution, notice of

election to mature or declare due the whole of the secured indebtedness and marshalling in the event of foreclosure of the liens hereby created. If this Mortgage is foreclosed, the redemption period after judicial sale shall be one (1) month in lieu of nine (9) months. If any law referred to in this Section and now in force, of which Borrower, Borrower's heirs, devisees, representatives, successors and assigns or other person might take advantage despite this Section, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this Section. Borrower expressly waives and relinquishes any and all rights and remedies which Borrower may have or be able to assert by reason of the laws of the State of New Mexico pertaining to the rights and remedies of sureties.

5.3. No Waiver. The waiver by the Lender of any breach of any term, covenant or condition contained in this Mortgage, the City Note, or all other Loan Instruments shall not be deemed to be a waiver thereof on any subsequent occasion. The Lender shall not be deemed to have waived any term, covenant, or condition of this Mortgage, the City Note or all other Loan Instruments unless Lender has signed a written waiver waiving the term, covenant, or condition.

5.4. Limitation of Interest. This Mortgage, the City Note, and all other Loan Instruments between Borrower and Lender are hereby expressly limited so that in no contingency or event whatsoever, whether by reason of deferment in accordance with the City Note or any other present or future agreement, or advancement of the proceeds of the loan evidenced thereby, acceleration of maturity of the loan, or otherwise, shall the total amount paid or agreed to be paid to the hold of the City Note for the loan, use forbearance or detention of the money to be loaned under the City Note, including without limitation all non-default interest, all default interest, any commitment or loan fees, all late charges, and all reimbursable charges or costs (including, but without limitation, inspection fees and appraisal review fees) which may be treated as interest, exceed the maximum permissible under applicable law, if any. If, from any circumstance whatsoever, fulfillment of any provision hereof or of the Agreement, the City Note or any other Loan Instruments shall or would involve transcending the limit of validity prescribed by applicable law, if any, then ipso facto, the obligation of the undersigned to be fulfilled shall be reduced to the limit of such validity. To the extent the undersigned has the power to do so, the undersigned agrees that the only such laws relevant to maximum permissible interest shall be any relevant laws of the State of New Mexico in effect on the date of the City Note. The provision of this paragraph shall never be superseded or waived and shall control every other provision of the Note, the Agreement, and all other Loan Instruments. In the event any holder of the City Note shall collect monies which are deemed to constitute interest which would otherwise increase the effective interest rate on the City Note to a rate in excess of that permitted to be charged by the laws of the State of New Mexico, all such sums deemed to constitute interest in excess of the legal rate shall, at the election of Lender in its discretion, be immediately applied to principal or returned to the Borrower upon such determination.

5.5. Statements by Borrower and Lender. Borrower and Lender, within ten (10) days after written request therefor, will furnish to the other a written statement stating the unpaid principal of and interest on the City Note and any other amounts secured by this Mortgage and stating whether any offset or defense exists against such principal and interest.

5.6. Release by Lender. Upon payment of all sums hereby, Lender shall release to Borrower, or the person or persons legally entitled thereto, without warranty, any portion of the Property then held hereunder.

5.7. Notice. Whenever Borrower or Lender shall desire to give or serve any notice, demand, request or other communication with respect to this Mortgage, each such notice, demand, request or other communication shall be in writing, shall be personally delivered, mailed by certified U.S. mail, return receipt requested, delivery by express courier service, and any such notice shall be effective upon actual receipt or receipt showing denial of delivery. Addresses for notice hereunder are as follows:

LENDER:

Greater Albuquerque Housing Partnership
320 Gold Avenue SW, Suite 918
Albuquerque, NM 87102

BORROWER:

Farolito Apartments Limited Partnership LLLP
320 Gold Avenue SW, Suite 918
Albuquerque, NM 87102

CITY of ALBUQUERQUE:

Director, Department of Health, Housing & Homelessness
P.O. Box 1293
Room 504
Albuquerque, NM 87103

Any party may at any time change its address for such notices by delivering or mailing to the other parties hereto, as aforesaid, a notice of such change.

5.8. Invalidity of Certain Provisions. If the lien of this Mortgage is invalid or unenforceable as to any part of the indebtedness secured hereby, or if the lien is invalid or unenforceable as to any part of the Property, the unsecured or partially secured portion of the indebtedness shall be completely paid prior to the payment of the remaining and secured or partially secured portion of the indebtedness, and all payments made on the indebtedness, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion of the indebtedness which is not secured or fully secured by the lien of this Mortgage. In the event any covenant, condition or provision herein is held to be void, voidable, invalid, illegal, or unenforceable by any court of competent jurisdiction, such covenant, condition or provision shall be deemed amended to conform to applicable laws so as to be valid or enforceable, or, if it cannot be so amended, without material altering the intention of the parties, it shall be stricken. If stricken, all other covenants, conditions and provision of this

Greater Albuquerque Housing Partnership
Farolito Senior Community
HOME \$4,187,152 Grant
2023

Mortgage shall remain in full force and effect provided that the striking of such covenants, conditions or provisions does not materially prejudice either the Lender or Borrower in its respective rights and obligations contain in the valid covenants, conditions or provisions of this Mortgage.

5.9. Due on Sale. Except as otherwise expressly provided in the City Note or Loan Instruments, if at any time:

- (a) Borrower should, without the prior written consent of Lender, assign, sell, convey or otherwise transfer its interest in the Property or any part thereof, including without limitation as assignment in liquidation or dissolution of Borrower, or
- (b) by operation of law, including without limitation, merger, consolidation, reorganization or the like, the Borrower's interest in the Property or any part thereof should be assigned, sold or otherwise transferred without the prior consent in writing of Lender, then Lender may, at its sole option, declare all sums secured hereby immediately due and payable. Consent to such a transaction shall not be deemed to be a waiver of Lender's right to require such consent to further or successive transactions.

5.10. Headings and Captions. Captions and headings of sections and paragraphs are for convenience, not limitation, and are not to be construed as modifying text.

5.11. Redemption Period. In the event of foreclosure of this Mortgage, the period of foreclosure shall be one month in lieu of the statutory redemption period of nine months.

5.12. Subordination and Release. Upon the City's approval of the Developer's financing arrangements, the City will subordinate the City Mortgage to one or more mortgages for borrowed funds necessary to develop the Project. However, the Restrictive Covenants will not be subordinated and will continue to run with the land for the term of the HOME Affordability Period.

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FAROLITO APARTMENTS LIMITED
PARTNERSHIP LLLP, a New Mexico limited
liability limited partnership

By: FAROLITO SENIOR LLC, a New Mexico
limited liability company, General Partner

By: THE GREATER ALBUQUERQUE
HOUSING PARTNERSHIP, Manager

By: _____
Felipe Rael, Executive Director

STATE OF NEW MEXICO)
) ss:
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on the _____ day of _____,
2023, by Felipe Rael, Executive Director of THE GREATER ALBUQUERQUE HOUSING
PARTNERSHIP, Manager of FAROLITO SENIOR LLC, General Partner of FAROLITO
APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability limited
partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

My commission expires: _____

Exhibit D**Greater Albuquerque Housing Partnership****FAROLITO SENIOR COMMUNITY
HOME Investment Partnerships (HOME)
PROMISSORY NOTE**

FOR VALUE RECEIVED, the undersigned FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability partnership ("Maker"), promises to pay to the order of THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP, a New Mexico nonprofit corporation ("Holder"), or its assigns, the principal sum of **Four Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$4,187,152.00)**, which is the value of a City HOME Investment Partnership Grant, or so much thereof as shall have been advanced to Maker by Holder from time to time, together with all charges as provided herein and in the Mortgage, as hereinafter defined, and accrued interest on the principal balance thereof outstanding from time to time at the applicable rate of interest as hereinafter specified.

On _____, 2023, Holder and the City of Albuquerque, New Mexico (the "City"), entered into a Development Agreement, (the "Development Agreement"), concerning the construction and development of an affordable housing community known as the Sterling Apartments Project in the City of Albuquerque, New Mexico (the "Project") and, pursuant to the Development Agreement, a Grant has been made to Holder by the City (the "Grant").

The loan represented by this Promissory Note ("Note") is being made with the Grant. In consideration for the loan evidenced hereby, Maker agrees that it will comply with the applicable obligations and use restrictions respecting the Project set forth in the Restrictive Real Estate Covenants, dated _____, 2023 (the "Restrictive Real Estate Covenants"). Maker agrees that it will reasonably cooperate with Holder in connection with Holder's audit and other reporting requirements to the City and the State of New Mexico in connection with the loan evidenced hereby.

The Note will accrue interest at the rate of _____ (___%) per annum.

The proceeds of the loan evidenced by this Note may be assigned, with the prior written approval of both the City and Holder, to any successors, assignees or purchasers of the Project (each a "Successor Owner") who agree in writing to assume all obligations of Maker under the Development Agreement, the Mortgage, as herein defined, and this Note, and Maker will thereupon be released from all future liability hereunder, and such Successor Owner(s) will thereafter be treated as the "Maker" for all purposes hereunder.

On or before January 1, ____, and on or before each January 1 thereafter, the Maker shall make a payment on this Note to the extent of Residual Receipts for the immediately preceding year. "Residual Receipts" shall mean Net Cash Flow of the Maker (as that term is defined in the Amended and Restated Agreement of Limited Partnership of the Maker dated as of _____, 2023) (the "Partnership Agreement") to the extent remaining to be distributed after the Partnership Services Fee (as that term is described in the Partnership

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Agreement) in the priority set forth in Section ____ of the Partnership Agreement. If not sooner paid, the entire outstanding balance of the principal sum and all accrued and unpaid interest thereon will be immediately due and payable in full on the earlier of (i) December 31, ____, (ii) upon Maker's default or breach of this Note, subject to the notice and cure provisions set forth herein, or (iii) in the event of a sale or refinancing of the Project.

All payments of principal and interest hereunder are payable in lawful money of the United States at Holder's office at 320 Gold Ave., SW, Suite 918, Albuquerque, New Mexico 87102, or at such other place as Holder may from time to time give notice in writing to Maker. All payments received hereunder will be applied first to accrued interest as of the date of payment and then to the outstanding principal balance of this Note.

This Note is secured by a Mortgage and Security Agreement of even date herewith, recorded in the real property records of Bernalillo County, New Mexico (the "Mortgage"), conveying a mortgage and security interest in the Project and the real property constituting the site therefor. All of the provisions of the Mortgage are incorporated herein by reference.

Prepayments of all or any part of the balance of this Note may be made at any time and from time to time by Maker. No premium or penalty will be charged in connection with such prepayment.

The occurrence of any of the following is a default of the terms of this Note: (i) Maker fails to pay when due any installment of principal or interest hereunder; (ii) Maker dissolves or otherwise fails to maintain its status as a New Mexico limited liability limited partnership; or (iii) Maker fails to perform the covenants contained in this Note, the Mortgage, the Development Agreement or the Restrictive Real Estate Covenants.

In the event the City requires repayment by Holder of the Grant, or any part thereof, Holder may, at its option, accelerate the indebtedness evidenced hereby to the extent of such repayment obligation, subject to the terms herein, including the notice and cure provisions below. If Holder fails to make any such repayment when due, Maker will have the right to make the required repayment directly to the City and will be entitled to full credit for all such payments against amounts otherwise due to Holder under this Note.

Upon an event of default hereunder, Holder shall provide notice thereof to Maker (a "Default Notice") and to the City of Albuquerque. Maker will have thirty (30) days after receipt of a Default Notice to cure the default addressed therein (the "Cure Period"). If such default is reasonably capable of being cured within the Cure Period, Maker will have such period to effect a cure prior to exercise of remedies by Holder under this Note and the Mortgage. If such default is such that it is not reasonably capable of being cured within the Cure Period and if Maker initiates corrective action within the Cure Period and diligently and in good faith works to effect a cure as soon as possible, then Maker shall have such additional time as is reasonably necessary to cure such default. Unless and until Maker receives a Default Notice, no action or inaction by or on behalf of Maker will be deemed an event of default hereunder, triggering Maker's obligation to cure or to pay the indebtedness evidenced hereby. In the event Maker receives a Default Notice and fails to cure the applicable default or Maker and Holder have not agreed in writing to a settlement thereof within the Cure Period, as extended, the whole unpaid balance hereof will, at

once or at any time thereafter during the continuance of such default, at the option of Holder, become immediately due and payable, and Maker will pay on demand to Holder all costs and expenses, including reasonable attorney's fees, incurred by Holder in pursuing its remedies under this Note.

Maker's limited partner (the "Limited Partner") may, at its option, cure any default for a period of thirty (30) days following notice thereof, which period may be extended with the prior consent of Holder if the Limited Partner has initiated efforts to cure the default within such thirty (30) day period and continues to diligently pursue those efforts to completion. Any cure of any default made or tendered by the Limited Partner will be deemed to be a cure by Maker and will be accepted or rejected on the same basis as if made or tendered by Maker.

All notices to Maker given hereunder must be in writing, must be hand delivered or sent by overnight courier or by certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

Maker: Farolito Apartments Limited Partnership LLLP
320 Gold Ave., SW, Suite 918
Albuquerque, New Mexico 87102

Limited Partner: TBD

City of Albuquerque: Director, Department of Health, Housing & Homelessness
P.O. Box 1293
Room 504
Albuquerque, NM 87103

Any such notice will be deemed effective when hand delivered, or one business day after timely delivery to an overnight courier for next day delivery to Maker (as evidenced by a receipt from the overnight courier), or three days after notice is deposited with the U.S. Postal Service. Copies of all notices hereunder or under the Mortgage sent to Maker must also be sent to the Limited Partner at the address set forth above. Any notice hereunder or under the Mortgage delivered to Maker will be deemed ineffective and not delivered until a copy of such notice is delivered to the Limited Partner

Except to the extent expressly provided herein, Maker waives presentment for payment, notice of protest and notice of dishonor. Maker consents to any number of renewals or extensions of the time of payment hereof. Any such renewals or extensions may be made without notice to Maker and without affecting its liability.

Failure to accelerate the indebtedness evidenced hereby by reason of default in the payment of an installment of principal, interest, or principal and interest, or the acceptance of a past due installment of the same, will not be construed as a novation of this Note or as a waiver of the right of Holder to thereafter insist upon strict compliance with the terms of this Note without previous

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notice of such intention being given to Maker. This Note cannot be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

As used herein, the terms "Maker" and "Holder" will be deemed to include their respective successors, legal representatives and assigns, whether voluntary by action of the parties or involuntary by operation of law. This Note will be construed according to the laws of the State of New Mexico.

Any and all references in this Note to any other document or documents are references to such document or documents as the same may from time to time be modified, amended, renewed, consolidated or extended.

The representative of Maker subscribing below represents that he has full power, authority and legal right to execute and deliver this Note and that the debt evidenced hereby constitutes a valid and binding obligation of Maker.

Holder agrees that it shall not assign or transfer this Loan (or any interest therein) to any third party without the prior written consent of Maker and Limited Partner.

This Note is executed in Albuquerque, New Mexico on the _____ day of _____, 2023.

FAROLITO APARTMENTS LIMITED PARTNERSHIP
LLLP, a New Mexico limited liability limited partnership

By: _____

Name: _____

Its: Authorized Agent

Exhibit E

**Project Budget
(on following pages)**

Operating Expenses

Enter data in green cells only

Project Name - Farolito Senior Community : 82 Units

Expense	Annual Cost	Monthly Cost	Per Unit Per Year	Comment
Administrative / Management Expenses				
Management Fee	\$46,967	\$3,914	\$573	
Management Administrative Payroll Costs	\$69,321	\$5,777	\$845	
Renting / Advertising / Marketing Expenses	\$4,920	\$410	\$60	
Legal Fees	\$2,000	\$167	\$24	
Accounting / Audit Fees	\$8,750	\$729	\$107	
Telephone	\$6,650	\$554	\$81	
Office Supplies	\$12,764	\$1,064	\$156	
PJ Monitoring Fee (if any)		\$0		
MFA Compliance Fee	\$4,100	\$342	\$50	
3rd Party Compliance File Review	\$3,754	\$313	\$46	
Operations and Maintenance Expenses				
Security		\$0		
Operations and Maintenance Payroll Costs	\$61,063	\$5,089	\$745	
Repairs Supplies	\$18,600	\$1,550	\$227	
Repairs Contracts		\$0		
Elevator (if any)	\$10,704	\$892	\$131	
Other Mechanical Equipment		\$0		
Interior Painting		\$0		
Exterminating	\$3,000	\$250	\$37	
Lawn and Landscaping	\$12,190	\$1,016	\$149	
Garbage Removal	\$10,400	\$867	\$127	
Snow Removal		\$0		
Resident Service Cost		\$0		
		\$0		
		\$0		
Utilities Paid by the Property				
Electricity	\$16,500	\$1,375	\$201	
Natural Gas, Oil, Other Fuel	\$2,500	\$208	\$30	
Sewer and Water	\$25,755	\$2,146	\$314	
		\$0		
Taxes / Insurance / Other Expenses				
Real Estate Taxes	\$21,671	\$1,806	\$264	
Payroll Taxes				
Other Taxes and Licenses	\$32,850	\$2,738	\$401	SLO Lease & Demo
Property Insurance	\$31,332	\$2,611	\$382	
Workers Compensation Insurance				
Health Insurance / Other Employee Benefits				
Security	\$11,000	\$917	\$134	
Enrichment Services	\$2,500	\$208	\$30	
TOTAL OPERATING EXPENSES	\$419,291	\$34,941	\$5,113	
Reserve for Replacement Deposit	\$20,500	\$1,708	\$250	
TOTAL EXPENSES PLUS RESERVE	\$439,791	\$36,649	\$5,363	
SUBTOTAL ADMINISTRATIVE EXPENSES	\$159,226	\$13,269	\$1,942	
SUBTOTAL O&M EXPENSES	\$115,957	\$9,663	\$1,414	
SUBTOTAL OWNER PAID UTILITIES	\$44,755	\$3,730	\$546	
SUBTOTAL TAXES / INSURANCE / OTHER	\$99,353	\$8,279	\$1,212	
TOTAL OPERATING EXPENSES	\$419,291	\$34,941	\$5,113	

Sources and Uses of Funds

Enter data in green cells only

Project Name - Farolito Senior Community : 82 Units

In this template, the underwriter enters all proposed Sources of Funds (including HOME) on this tab (other than those that were already entered on the First Mortgage Sizing tab). The Uses of Funds are repeated below (from the Development Costs tab). Then the template verifies whether the Sources and Uses are in balance; be sure that Sources and Uses are balanced before moving forward. If there are insufficient Sources, potential solutions include deferring a greater portion of the developer fee, increasing HOME funding, and obtaining increased funding from some other source. If there are excess Sources, the HOME underwriter should consider reducing the proposed HOME funding.

PJs must perform cost allocation separately from this tool to verify that the proposed amount of HOME funding is within the allowable maximum HOME investment.

Sources of Funds	Amount	HOME?	Comment
First Mortgage Loan (proposed amount)	\$4,200,000	No	
Amortizing Second Mortgage Loan	\$0	0	
HOME	\$4,187,152	Yes	
GAHP General Partner Loan	\$1,000,000	No	
	\$0	0	
	\$0	0	
Deferred Developer Fee	\$1,164,624		
Developer Cash Investment	\$100		
Tax Credit Equity (proposed amount)	\$14,198,124		
Total Sources of Funds	\$24,750,000		

Total HOME Funding \$4,187,152
 Developer Investment for Financial Analysis \$1,164,724 (used in Operating Pro Forma for IRR, etc.)

Uses of Funds / Total Development Cost	Amount	Comment
Acquisition Costs	\$100,000	
Site Work Costs	\$0	
Construction / Rehabilitation Costs	\$19,926,254	
Architectural / Engineering Costs	\$787,914	
Other Owner Costs	\$545,776	
Construction Interest	\$712,498	
Other Interim Financing Costs	\$388,308	
Permanent Financing Costs	\$44,250	
Developer's Fee	\$1,660,000	
Initial Project Reserves	\$400,000	
Project Management Costs	\$185,000	
Other Development Costs	\$0	
Total Uses of Funds	\$24,750,000	

Subsidy layering gap (before HOME funding) \$4,187,152 (Total Uses of Funds minus Total Sources of Funds other than HOME)

Sources and Uses by Month

Enter data in green cells only

Project Name - Farolito Senior Community : 82 Units

Months of Construction

16

Months Const. Loan Outstanding After Completion

7

Development Costs (Uses of Funds)	Total	Initial Closing / First Draw	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Acquisition Costs								
Land	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
Existing Structures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Site Work Costs (not included in construction contract)								
Demolition/Clearance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Site Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction / Rehabilitation Costs (construction)								
Site Work Included in Construction Contract	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Construction	\$15,338,337	\$0	\$958,646	\$958,646	\$958,646	\$958,646	\$958,646	\$958,646
Rehabilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Requirements	\$873,888	\$0	\$54,618	\$54,618	\$54,618	\$54,618	\$54,618	\$54,618
Builder's Overhead	\$291,296	\$0	\$18,206	\$18,206	\$18,206	\$18,206	\$18,206	\$18,206
Builder Profit	\$873,888	\$0	\$54,618	\$54,618	\$54,618	\$54,618	\$54,618	\$54,618
Performance Bond Premium	\$189,100	\$189,100	\$0	\$0	\$0	\$0	\$0	\$0
Construction Contingency	\$945,298	\$0	\$59,081	\$59,081	\$59,081	\$59,081	\$59,081	\$59,081
Gross Receipts Tax	\$1,339,447	\$0	\$83,715	\$83,715	\$83,715	\$83,715	\$83,715	\$83,715
Security & Access Control	\$75,000	\$0	\$4,688	\$4,688	\$4,688	\$4,688	\$4,688	\$4,688
Architectural and Engineering Fees								
Architect Fee -- Design	\$584,867	\$584,867	\$0	\$0	\$0	\$0	\$0	\$0
Architect Fee -- Construction Supervision	\$101,060	\$0	\$6,316	\$6,316	\$6,316	\$6,316	\$6,316	\$6,316
Engineering Fees	\$50,000	\$0	\$3,125	\$3,125	\$3,125	\$3,125	\$3,125	\$3,125
LEED Certification	\$51,987	\$0	\$3,249	\$3,249	\$3,249	\$3,249	\$3,249	\$3,249
Other Owner Costs								
Protect Consultant Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Attorney Fees (initial closing)	\$35,000	\$35,000	\$0	\$0	\$0	\$0	\$0	\$0
Owner Attorney Fees (final closing)	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Syndication Costs	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0
Other Owner Organizational Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Market Study	\$6,000	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0
Survey	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Appraisal Fees	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0
Environmental Studies	\$15,800	\$15,800	\$0	\$0	\$0	\$0	\$0	\$0
Capital Needs Assessment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tap Fees and Impact Fees	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Building Permits and Fees	\$112,459	\$112,459	\$0	\$0	\$0	\$0	\$0	\$0
Tax Credit Fees	\$125,767	\$125,767	\$0	\$0	\$0	\$0	\$0	\$0
Soft Cost Contingency	\$25,000	\$0	\$1,563	\$1,563	\$1,563	\$1,563	\$1,563	\$1,563
Special Inspections	\$60,000	\$60,000	\$0	\$0	\$0	\$0	\$0	\$0
Tax Credit Application Fee	\$750	\$750	\$0	\$0	\$0	\$0	\$0	\$0
Interim Financing Costs (excluding interest)								
Construction Period Insurance	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
Construction Period Taxes	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction Interest is Calculated Below								
Construction Loan Origination Fee	\$105,583	\$105,583	\$0	\$0	\$0	\$0	\$0	\$0
Construction Loan Legal Fees	\$25,000	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0
Other Construction Loan Fees	\$2,500	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0
Bond Costs of Issuance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Title and Recording Costs (for the construction loan)	\$115,225	\$115,225	\$0	\$0	\$0	\$0	\$0	\$0
Construction Lender Inspections	\$30,000	\$0	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Permanent Financing Costs								
Credit Report	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lender Origination / Financing Fee	\$27,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lender's Counsel Fee	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Lender Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Title and Recording Costs (for permanent financing)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Establish Tax and Insurance Escrows	\$14,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer's Fee	\$1,660,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Project Reserves								
Initial Rent-Up Reserve (not HOME eligible)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Operating Reserve (HOME-eligible portion)	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Debt Service Reserve (not HOME eligible)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Replacement Reserve (not HOME eligible)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Project Name - Farolito Senior Community : 82 Units

Project Administration and Management Costs								
Marketing/Management	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Furniture, Fixtures & Equipment	\$85,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenant Relocation Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Development Costs								
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Development Costs (TDC)	\$24,017,502	\$1,598,051	\$1,249,825	\$1,249,825	\$1,249,825	\$1,249,825	\$1,249,825	\$1,249,825
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TDC Excluding Construction Interest	\$24,017,502	\$1,598,051	\$1,249,825	\$1,249,825	\$1,249,825	\$1,249,825	\$1,249,825	\$1,249,825
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Sources of Funds	Total	Initial Closing / First Draw	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
First Mortgage Loan (proposed amount)	\$4,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Amortizing Second Mortgage Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HOME	\$4,187,152	\$0	\$718,057	\$1,249,825	\$1,249,825	\$550,730	\$0	\$0
GAHP General Partner Loan	\$1,000,000	\$0	\$0	\$0	\$0	\$144,507	\$855,493	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Developer Fee	\$1,164,624	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Cash Investment	\$100	\$100	\$0	\$0	\$0	\$0	\$0	\$0
Tax Credit Equity (proposed amount)	\$14,198,124	\$1,597,951	\$531,768	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Sources Before Construction Loan	\$24,750,000	\$1,598,051	\$1,249,825	\$1,249,825	\$1,249,825	\$695,237	\$855,493	\$0
-----------------------------------------------	--------------	-------------	-------------	-------------	-------------	-----------	-----------	-----

Construction Loan Draw Needed (Before Interest)	\$0	\$0	\$0	\$0	\$0	\$554,588	\$394,332	\$1,249,825
--------------------------------------------------------	-----	-----	-----	-----	-----	-----------	-----------	-------------

Construction Loan Beginning Balance		\$0	\$0	\$0	\$0	\$0	\$556,425	\$955,750
Plus This Draw		\$0	\$0	\$0	\$0	\$554,588	\$394,332	\$1,249,825
Plus Interest (Total Interest at immediate right)	\$706,631	\$0	\$0	\$0	\$0	\$1,837	\$4,993	\$10,472
Equals Ending Balance		\$0	\$0	\$0	\$0	\$556,425	\$955,750	\$2,216,047

Construction interest estimate from Development Costs tab	\$712,498
-----------------------------------------------------------	-----------

Construction interest estimate from detailed Sources and Uses By Month	\$706,631
------------------------------------------------------------------------	-----------

Construction interest calculated above is 99.2% of the Construction Interest estimate from Development Costs tab.

Exhibit F

Schedule of City Grant and Grant Payback Schedule

Source of Fund	Amount	Forgiven
City HOME Funds	\$4,187,152	End of Affordability Period

(THIS SPACE INTENTIONALLY LEFT BLANK)

Exhibit G

Project Development Schedule

Construction Schedule

Enter data in green cells only

Project Name - Farolito Senior Community : 82 Units

The HOME Final Rule's definition of *commitment* specifies that if a project includes rehabilitation or new construction, a construction schedule is required at or before the time of the commitment. Additionally, construction must be scheduled to start within twelve months after the commitment date, and construction must be scheduled to be completed within four years after the commitment date.

				Total	Per Unit	
Intended HOME Commitment Date	March 10, 2023			\$16,079,291	\$196,089	Hard cost before contingency
Initial Closing Date	December 1, 2023			\$900,860	\$10,986	5.6% Hard cost contingency
Construction Start Date	January 2, 2024	9.8	months after HOME Commitment Date	\$1,264,390	\$15,419	7.9% GR / BO / BP
Other construction milestone #1				\$400,000	\$4,878	Initial reserves
Other construction milestone #2				\$3,940,497	\$48,055	Soft costs before contingency
Other construction milestone #3				\$25,000	\$305	0.6% Soft cost contingency
Other construction milestone #4				\$1,660,000	\$20,244	8.3% Developer fee (gross)
First Building Completion Date	March 1, 2025			\$24,270,038	\$295,976	Total Uses of Funds
Last Building Completion Date	March 1, 2025	13.9	months construction time			
		23.7	months after HOME Commitment Date			
Achievement of Sustaining Occupancy	July 1, 2025	4.0	months lease-up time			
Closing of Permanent Financing	October 1, 2025	7.0	months after construction completion			

Below, please include any comments about the construction schedule

We are estimating 14 months of construction, four months leaseup and stabilization 3 month after 100% occupancy.

Budgeted construction cost is \$196,089 per unit. Budgeted hard cost contingency is 5.6% of hard cost.
Budgeted soft costs are \$48,055 per unit. Budgeted soft cost contingency is 0.6% of soft cost.
The budgeted developer fee is \$20,244 per unit before any deferral. This is 8.3% of total hard cost + total soft cost.

Exhibit H
Request for City Grant Disbursement

City of Albuquerque
Department of Health, Housing & Homelessness
Financial Status Report and Request for Reimbursement

1. Agency Name and Mailing Address:		2. Telephone Number:
3. Project Title:	4. Contract Number:	5. Request Number:
6. Name of Contact Person:	7. Request for the Period : From: _____ To: _____	8. Billing Date:

9. Financial Expenditure Category	Approved Budget	Amount of this Request	Total Requests to Date	Balance Remaining	Matching Funds Expended to Date
Salaries and Wages					
Payroll Taxes & Employee Benefits					
Contractual Services					
Audit Costs					
Consumable Supplies					
Telephone					
Postage Shipped					
Occupancy: Rent					
Occupancy: Utilities					
Occupancy: Other					
Equipment Lease					
Equipment Maintenance					
Printing and Publication					
Travel: Local					
Travel: Out-of-Town					
Conferences, Meetings					
Assistance/Beneficiaries					
Membership Dues					
Equipment, Land, Buildings					
Insurance					
Indirect Costs					

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Total					
-------	--	--	--	--	--

10. Certification: I hereby certify that the funds for which reimbursement is being herein requested have been or will be utilized to provide services to the Community Development Project described in the Agreement executed between the City of Albuquerque and the above named agency which I represent and I further certify that the amount requested herein is true and just, that payment has not been received, and that (1) this Reimbursement Request represents expenditures incurred and eligible under applicable local, state and Federal regulations; (2) that said expenditures are supported by vendor's invoices and other documented liabilities in our records; and (3) funds received as a result of the Request will be expended within three (3) working days.

a. Signature of Authorized Official	b. Title
b. Typed Name	d. Date

Instructions for Completing Financial Status Report and Request for Reimbursement

1. Enter the name and mailing address of the agency submitting the report.
 2. Enter the telephone number of the agency.
 3. Enter the title of the City-funded project for which reimbursement is being requested.
 4. Enter the contract number assigned to the project by the City.
 5. For each contract. Requests for Reimbursement must be numbered sequentially, with the first request numbered "1" and so on for succeeding requests. Enter the number of this request.
 6. Enter the name of a contact person at the agency from whom information about the request may be obtained.
 7. Enter the starting date and ending date of the period for which reimbursement is being requested.
 8. Enter the date that the request will be submitted to the City.
 9. In the column headed "Approved Budget," enter the amounts for each line item in the most recent project budget approved by the City.
- In the column headed "Amount of this Request," enter the amount of the reimbursement requested for each line item in the approved budget. In the column headed "Total Requests to Date," enter the sum of this request and all previous reimbursements paid by the City for each line item in the approved budget. In the column headed "Other Funds Expended to Date," enter the amounts of matching funds or program income applied to the project expended for each line item, if such funds are required under the terms of the contract.
10. An authorized official of the agency must certify that funds were used according to City requirements.
 - 10a. The official must sign to certify the Financial Status Report.
 - 10b. Enter the typed title of the official signing the Financial Status Report.
 - 10c. Enter the typed name of the official.
 - 10d. Enter the date the official signed the Report.

Exhibit I**Greater Albuquerque Housing Partnership****FAROLITO SENIOT COMMUNITY****RESTRICTIVE REAL ESTATE COVENANTS**

Made in Albuquerque, New Mexico

Date_____

These Restrictive Real Estate Covenants (the “Covenants”) are made by The **Greater Albuquerque Housing Partnership**, a non-profit corporation (“Owner”) in favor the of the City of Albuquerque whose address is One Civic Plaza, Albuquerque, New Mexico, 87102, Post Office Box 1293, Albuquerque, NM, 87103, a municipal corporation (“City”), and shall run with the land until the end of the Affordability Period (as defined herein) unless earlier modified or released by the City.

1. Recitals

A. The Owner is the owner in fee simple of that certain real estate (“Real Property”) in Bernalillo County New Mexico, which is located in Albuquerque, NM and whose legal description is:

Parcel A as sown on the Boundary Survey of Tract C, Video Addition and Parcels of Land Owned by the State of New Mexico Situated Within the NW1/4 NW1/4 Sec.28,T10N, R4E, NMPM, April 2016, recorded with the County Clerk of Bernalillo County on February 12, 2020 as Doc. No. 2020013489, containing 2.2856 acres, more or less.

B. For consideration for the assistance given by the City for the benefit of the Owner, the Owner has agreed to restrictions on the use and rental of the Property in order to implement the Project. The Property shall be used only for the Project. The Project, named **Farolito Senior Community**, will be located at 10501 Central Avenue NE, as legally described in Exhibit B (hereinafter referred to as the “Real Property”). The Project shall consist of the construction and management of the four-story, multi-family building, including common space, landscaping, access, parking lots and grounds located on the aforementioned Real Property. The Project includes the construction of 82 residential units for seniors age 55 and older on land owned by the New Mexico State Land Office, which will be leased by the project for a minimum term of 60 years. The development will contain seventy-two (72) 1-bedroom and ten (10) 2-bedroom rental housing units, and common space totaling approximately 76,675 heated square feet. Of the 82 units, 13 units shall be for households at or below 80% AMI, 28 units shall be for households at or below 60% of AMI, 16 units shall be for households at or below 50% AMI, and 25 units shall be for households at or below 30% AMI. The Project shall remain an affordable rental housing project, abiding by the High HOME and Low HOME rents for the 20-year HOME Affordability Period, as more fully provided elsewhere in this Agreement.

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2. Definitions

“Act” means the Federal National Affordable Housing Act of 1990/HOME Investment Partnerships Program.

“Affordability Period” means the period commencing on the date of these covenants and ending on the date that is twenty (20) years from the completion of the Project in HUD’s Integrated Disbursement Information System (IDIS) for the contribution of HOME funds.

“AMI” means Area Median Income which is the annual income figure for a specific geographic area which is determined annually by the U.S. Department of Housing and Urban Development and adjusted for family size.

“HOME Investment Partnerships Program” means the programs authorized by the Act of the federal U.S. Department of Housing and Urban Development that provides funds for the City of Albuquerque in support of affordable housing development.

“HOME Assisted Unit” means that residential unit, which either directly, or indirectly, has received financial assistance for acquisition and/or construction from funds authorized in the Act.

“Program Income” means that portion of income generated from the Project subject to the requirements of 24 CFR Part 92 for HOME funded projects and the Workforce Housing Regulations for Workforce Housing Trust funded projects.

“Project” means the construction of the residential units upon the Property, including Buildings, related on-site and off-site improvements, equipment and related rights therein.

“Utility Allowance” is the amount established by a schedule that is appropriate for a specific rent to cover the cost of utilities that are paid to the utility company as approved by the City.

3. Restrictive Covenants

A. Use of Property. During the Affordability Period, the Property shall be used as and only for the Project. The Project, named **Farolito Senior Community**, will be located at 10501 Central Avenue NE, as legally described in Exhibit B (hereinafter referred to as the “Real Property”). The Project shall consist of the construction and management of the four-story, multi-family building, including common space, landscaping, access, parking lots and grounds located on the aforementioned Real Property. The Project includes the construction of 82 residential units for seniors age 55 and older on land owned by the New Mexico State Land Office, which will be leased by the project for a minimum term of 60 years. The development will contain seventy-two (72) 1-bedroom and ten (10) 2-bedroom rental housing units, and common space totaling approximately 76,675 heated square feet. Of the 82 units, 13 units shall be for households at or below 80% AMI, 28 units shall be for households at or below 60% of AMI, 16 units shall be for households at or below 50% AMI, and 25 units shall be for households at or below 30% AMI. The

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Project shall remain an affordable rental housing project, abiding by the High HOME and Low HOME rents for the 20-year HOME Affordability Period, as more fully provided elsewhere in this Agreement.

B. Income Qualifications. The Owner shall determine the annual income of a household occupying or seeking to occupy affordable units, in accordance with 24 CFR §5.609. The income of an affordable household shall not exceed eighty percent (80%) of the City's median income. The Owner shall determine whether the annual income of household(s) occupying or seeking to occupy affordable units, exceeds the applicable income limit prior to admission of the household(s) to occupancy, and then annually thereafter.

C. Rent Determination.

(1) Rents charged occupants of the affordable units must be the lesser of the fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR §888.111; or a rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the median income for the areas, as determined by HUD, with adjustment for number of bedrooms in the unit.

(2) The rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.

(3) The Owner shall ensure that each household occupying the affordable units will have an executed lease with the Owner in compliance with 24 CFR §92.253. The term of any lease shall be for a period of twelve (12) months, unless such time period is waived in writing for a compelling reason by the household seeking occupancy. The City in its discretion may determine whether a reason is compelling.

(4) **The following is the breakdown of the Twenty-two (22) "floating" HOME-assisted units:**

(a) Initial gross rents (rent plus tenant paid utility costs) for a maximum of **Seventeen (17) HOME-assisted units** shall comply with **High HOME** rents (as updated by HUD) and shall not exceed the rents published by HUD, based on bedroom size.

(b) Initial gross rents (rent plus tenant paid utility costs) for the remaining **Five (5) HOME assisted units** shall comply with **Low HOME** rents (as updated by HUD) and shall not exceed the rents published by HUD, based on bedroom size.

(5) Any rent increases of the affordable units must be approved in writing by the City prior to implementation. If utilities are not included in the rent, an allowance must be made using the City's established utility allowance.

(6) HOME assisted units continue to qualify as affordable housing despite a temporary noncompliance caused by increases in the income of existing tenants, if actions are

being taken to ensure that a vacancy is filled in accordance with subsection 3B. above, until the noncompliance is corrected.

(7) In the event a tenant's income exceeds 80% of median income following initial occupancy, the tenant must pay 30% of tenant's adjusted income as rent, or the market rate for the neighborhood, whichever is less.

(8) The Owner shall ensure that each household occupying the HOME assisted units will have an executed lease with the Owner in compliance with 24 CFR §92.253.

4. Crime Free Multi-Housing Program. The Owner shall insure that the property manager for the facility participates in the Albuquerque Police Department's Crime Free Multi-Housing Program and obtains program certification within one year of execution of this Agreement. City shall be notified by Owner if facility is in jeopardy of losing its Crime Free Multi-Housing Certification. Failure to obtain the program certification, or revocation of the certification from the facility manager, shall constitute default of this Agreement.

5. Maintenance Reserve Fund. The Owner shall establish a maintenance reserve fund for the Project in an amount not less than Three Hundred Dollars (\$300.00) per unit per annum from the date of acceptance of the Certificate of Occupancy issued by the City of Albuquerque until the completion of the Affordability Period.

6. Encumbrances. The Owner covenants and agrees that it shall not refinance, mortgage, suffer or allow the creation of a lien, nor otherwise encumber the Real Property, without the prior written consent of the City, which consent shall not be unreasonably withheld or delayed, as determined in the City's sound governmental judgment in compliance with all applicable laws and ordinances.

7. Property Standards Requirements. The project will meet all Housing Quality Standards, or other physical property standards regulated by HUD, and local building code requirements, and allow the City to inspect the property, for the duration of the Covenants.

8. Monitoring/Reporting Requirements.

A. The Owner shall report, in writing, at least quarterly during the construction and lease-up phases of the Project. The quarterly report shall include the process of construction as a percentage complete, construction funds expended with remaining balance, and number of units completed.

B. The City, at its discretion, may require a reasonable administrative fee from the Owner for the purpose of monitoring the project.

C. Income received from the rental of affordable units, if funded by HOME, shall be considered Program Income and must comply with 24 CFR §92.503. A Program Income report detailing the uses of Program Income for the reporting period, will be provided by the Owner

within thirty (30) days after the close of the quarter until the terms of this Agreement have been met.

D. The Owner shall report annually within 90 days of the close of the Owner's fiscal year until the terms of this Agreement have been met. The report shall include, but not be limited to, the financial statements for the Project, Income and Expense Statement for the Project, a Program Income budget, if applicable, the proposed uses of Program Income for the forthcoming year, and a certified rent roll showing household size, ethnicity, race, whether the occupant is female head of household, date of execution of the occupants' current lease, adjusted gross income and rental rates.

E. At any time during normal business hours and as often as the City and/or the appropriate funding entity may deem necessary, there shall be made available to the City for examination, all of the Owner's records with respect to all matters covered by this Agreement. The Owner shall permit the City and/or the appropriate funding entity to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Development Agreement.

9. Term. The Owner's obligations designated herein are to commence upon the execution of this Restrictive Real Estate Covenants by the last party to sign ("Commencement Date"), and shall be undertaken and completed in such sequence as to assure their expeditious completion in light of the purposes of this Development Agreement but, in any event, the Project and all of the services required hereunder in connection with the Project shall be continued until the expiration of the Affordability Period. If the Owner can provide sufficient credible evidence that the building placed on the Project's land is functionally obsolete or has reached the end of its useful life and financing the redevelopment of the building as an affordable housing project is not economically feasible, the City's governing body may approve the demolition of the building. A new building shall be built upon the Project's land that shall at a minimum include the same affordability requirements as specified in the original agreement.

10. Covenants Running with Property. These Restrictive Real Estate Covenants shall be and constitute covenants running with the Property during the Affordability Period and shall be enforceable by the City by legal and equitable action, including an action for injunctive relief.

11. Binding Effect. Upon execution of this Agreement by the Owner, these terms, conditions and covenants under this Agreement shall be binding and inure to the benefit of the parties and their representative.

12. Construction and Severability. If any part of these Restrictive Real Estate Covenants are held to be invalid or unenforceable, the remainder of the Restrictive Real Estate Covenants will remain valid and enforceable if the remainder is reasonably capable of completion.

Signed on this _____ day of _____, 2023

THE GREATER ALBUQUERQUE HOUSING
PARTNERSHIP
a New Mexico nonprofit corporation

By: _____

Name: _____

Its: Authorized Agent

STATE OF NEW MEXICO)
) SS
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on ____day of _____, 2023, by
_____of The Greater Albuquerque Housing Partnership, a New
Mexico nonprofit corporation.

Notary Public

My Commission Expires:

Exhibit J

COLLATERAL ASSIGNMENT OF PROMISSORY NOTE AND MORTGAGE

THIS COLLATERAL ASSIGNMENT OF PROMISSORY NOTE AND MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT (this "Assignment"), dated _____, 2023, is made by THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP, a New Mexico non-profit corporation ("Assignor"), in favor of the CITY OF ALBUQUERQUE, a New Mexico municipal corporation, organized and existing under its charter and the Constitution and laws of the State of New Mexico ("Assignee").

Recitals

1. Assignor is an affiliate of FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability company ("Owner"), and a sponsor of the development of the real property located in Albuquerque, New Mexico, more particularly described in Exhibit A, attached hereto and incorporated herein (the "Property"), into an affordable housing community known as the Farolito Senior Community Project (the "Project").

2. Pursuant to the Development Agreement dated _____, 2023 (the "Development Agreement"), Assignee granted \$4,187,152 of funds to Assignor (the "City Grant"), and Assignor will loan, as of the date hereof, such funds to Owner for the construction and development of the Project (the "Loan").

3. Owner executed the Promissory Note of even date herewith in the principal amount of \$4,187,152 to evidence the Loan, payable to Assignor (the "City Note").

4. The Note is secured by the Mortgage, Assignment of Rents, and Security Agreement of even date herewith for the benefit of the Assignor, recorded in the real property records of the County of Bernalillo, New Mexico (the "City Mortgage"), encumbering title to the Property.

5. Assignor now desires to assign its rights under the Note and the Mortgage to Assignee in order to secure Owner's performance of its obligations under the Development Agreement and the Restrictive Real Estate Covenants, dated _____, 2023 (the "Restrictive Covenants").

Assignment

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor, subject to the limitation set forth below, hereby grants, bargains, sells, conveys, assigns, transfers and sets over unto Assignee all of Assignor's rights in the City Note and the City Mortgage, including without limitation, all monies now owing or that may hereafter become due or owing with respect to the City Note and the full benefit of all the powers, covenants and provisos contained in the City Note and the City Mortgage.

Assignor represents and warrants that, as of the date hereof, there have been no amendments or modifications, either oral or written, to the City Note or the City Mortgage, and that none of the Property has been released from the lien of the City Mortgage. Assignor further represents and warrants that (i) there has been no prior assignment of Assignor's rights under the City Note or the City Mortgage, and Assignor will make no other assignment thereof; and (ii) Assignor has good right to assign its rights under the City Note and City Mortgage, and to grant the rights herein granted; and (iii) neither the City Note nor the City Mortgage will be amended or reassigned without Assignee's prior written consent, which consent will not be unreasonably withheld or delayed.

In the event of a default of the Loan, Assignor covenants and agrees to do all things reasonably necessary to give effect to the intent of this Assignment, including but not limited to, immediately furnishing to Assignee copies of all notices of default relating to the Loan, executing any other documents necessary or reasonably requested to protect the interest of Assignee and to confirm the existence of this Assignment and, if necessary, to join with Assignee in asserting any claims against Owner, its successors and assigns, as the maker of the City Note, and to remit any proceeds collected thereafter on the City Note and the City Mortgage to Assignee.

This is a collateral assignment securing any obligation to repay the City Grant under the Development Agreement or the Restrictive Covenants. The Owner and Assignor shall be jointly and severally liable to the Assignee to perform all terms and conditions of the Development Agreement. Notwithstanding anything to the contrary in this Assignment, so long as there is not an event of default beyond all applicable notice and cure periods under the City Note or the City Mortgage (including an event of default arising from Owner's failure to comply with the Restrictive Covenants or the Development Agreement), Assignor will be entitled to retain all payments received in connection with the Note, and Assignee will have no right whatsoever to exercise any of its rights under this Assignment until Assignee has declared an event of default of the Loan as provided in the City Note and the City Mortgage.

Assignor agrees that Assignee may enforce Assignor's rights with respect to the City Note and the City Mortgage upon any event of default (after the expiration of all applicable notice and cure periods) occasioned by the failure of Owner to comply with the covenants set forth in the City Note or the City Mortgage, and in particular, in the event of any failure to comply with the Restrictive Covenants or the Development Agreement.

Failure or delay on the part of Assignee to exercise any of its rights hereunder will not operate as a waiver of such rights unless so agreed in writing by Assignee, nor will any single or partial exercise by Assignee of any of its rights hereunder preclude the exercise of any other rights hereunder, and the waiver by Assignee of any default by Assignor hereunder will not constitute a continuing waiver or a waiver of any other default or of the same default on any future occasion.

This Assignment and the covenants contained herein will inure to the benefit and be binding upon the successors and assigns of the respective parties hereto.

EXECUTED as of the date first set forth above.

THE GREATER ALBUQUERQUE HOUSING
PARTNERSHIP, a New Mexico nonprofit corporation

By: FELIPE RAEI
Its: Executive Director

STATE OF NEW MEXICO)
) ss:
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on _____ day of _____,
2023, by Felipe Rael as Executive Director of THE GREATER ALBUQUERQUE HOUSING
PARTNERSHIP, a New Mexico nonprofit corporation.

Notary Public

My Commission Expires:_____

The undersigned consents to the assignment of the Note and the Mortgage as set forth above as collateral for the Funds Grant, and to the rights granted to Assignee thereby.

FAROLITO APARTMENTS LIMITED
PARTNERSHIP LLLP, a New Mexico limited
liability limited partnership

By: FAROLIO SENIOR LLC, a New Mexico
limited liability company, General Partner

By: THE GREATER
ALBUQUERQUE HOUSING
PARTNERSHIP, Manager

By: _____
Felipe Rael, Executive Director

[illegible]

This instrument was acknowledged before me on the ____ day of _____, 2023, by Felipe Rael, Executive Director of THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP, Manager of FAROLIO SENIOR LLC, General Partner of FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability limited partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

My commission expires: _____

Exhibit K

AGREEMENT TO ASSUME RIGHTS AND RESPONSIBILITIES

THIS AGREEMENT is entered into by and between the CITY OF ALBUQUERQUE, Albuquerque, New Mexico, a municipal corporation, (hereinafter City), FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability limited partnership (hereinafter Developer or Assignee), and GREATER ALBUQUERQUE HOUSING PARTNERSHIP, a New Mexico nonprofit corporation, or (hereinafter Assignor), on the ____ day of _____, 2023. City, Developer, and Assignor are sometimes hereinafter referred to collectively as the Parties and individually as a Party.

RECITALS:

WHEREAS, the City has determined by Resolution adopted September 21, 1992, Enactment No. 134-1994, that a serious shortage of decent, safe, sanitary and affordable residential housing exists in the City of Albuquerque; and

WHEREAS, the Project, named **Farolito Senior Community**, will be located at 10501 Central Avenue NE, as legally described in Exhibit B (hereinafter referred to as the "Real Property"). The Project shall consist of the construction and management of the four-story, multi-family building, including common space, landscaping, access, parking lots and grounds located on the aforementioned Real Property. The Project includes the construction of 82 residential units for seniors age 55 and older on land owned by the New Mexico State Land Office, which will be leased by the project for a minimum term of 60 years. The development will contain seventy-two (72) 1-bedroom and ten (10) 2-bedroom rental housing units, and common space totaling approximately 76,675 heated square feet. Of the 82 units, 13 units shall be for households at or below 80% AMI, 28 units shall be for households at or below 60% of AMI, 16 units shall be for households at or below 50% AMI, and 25 units shall be for households at or below 30% AMI. The Project shall remain an affordable rental housing project, abiding by the High HOME and Low HOME rents for the 20-year HOME Affordability Period, as more fully provided elsewhere in this Agreement.

WHEREAS, the Developer has the necessary construction, and marketing expertise to develop and market the Project; and

WHEREAS, the Developer has been awarded a Low-Income Housing Tax Credit (LIHTC) allocation from the New Mexico Mortgage Finance Authority (hereinafter "MFA") which will reduce the overall cost of the Project; and

WHEREAS, in order to obtain the benefits of LIHTCs and other tax benefits, the Project will be owned by FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, whose sole general partner is the Assignor; and

WHEREAS, the City entered into that certain Development Agreement dated _____, 2023, with the Assignor under which the City agreed to advance no more than **Four Million, One Hundred Eighty-Seven Thousand, One Hundred Fifty-Two Dollars and No Cents (\$4,187,152.00)**, to construct the Project.

NOW THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the Parties formally covenant and agree as follows:

1. The Developer shall assume all contractual rights and responsibilities previously assigned by the Assignor in the Development Agreement, which agreement is attached hereto and incorporated herein by reference; in particular, but not limited to, the Developer shall:

- A. Implement all Project activities as described in said Development Agreement and shall execute such documents in its own name.
- B. Adhere to all Restrictive Covenants contained in said Development Agreement and shall execute such documents in its own name.

The Assignor agrees to remain jointly and severally liable for such contractual rights and responsibilities under the Development Agreement.

2. Approval Required: This Agreement shall not become effective or binding until approved by the highest approval authority required by the City under this Agreement.

IN WITNESS WHEREOF, the City, Developer and the Assignor have executed this Agreement as of the date first above written.

CITY:

CITY OF ALBUQUERQUE

By _____
Samantha Sengel
Chief Administrative Officer

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

On this _____ day of _____, 2023, before me personally appeared Samantha Sengel, Chief Administrative Officer of the CITY OF ALBUQUERQUE, a New Mexico municipal corporation, on behalf of the City.

My Commission Expires:

Notary Public

Greater Albuquerque Housing Partnership
Farolito Senior Community
HOME \$4,187,152 Grant
2023

DEVELOPER:

FAROLITO APARTMENTS LIMITED
PARTNERSHIP LLLP, a New Mexico limited
liability limited partnership

By: FAROLITO SENIOR LLC, a New Mexico
limited liability company, General Partner

By: THE GREATER
ALBUQUERQUE HOUSING
PARTNERSHIP, Manager

By: _____
Felipe Rael, Executive Director

[illegible]

This instrument was acknowledged before me on the ____ day of _____, 2023, by Felipe Rael, Executive Director of THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP, Manager of FAROLITO SENIOR LLC, General Partner of FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability limited partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

My commission expires: _____

ASSIGNOR:

THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP

By: _____
FELIPE RAEL, Executive Director

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

On this _____ day of _____, 2023, before me personally appeared FELIPE RAEL, the Executive Director of THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP, and acknowledged that he executed the same as his free act and deed on behalf of the THE GREATER ALBUQUERQUE HOUSING PARTNERSHIP.

My Commission Expires:

Notary Public



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

11/29/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Daniels Insurance, Inc.-Albq. 320 Gold Avenue SW, Ste 700 Albuquerque NM 87102	CONTACT NAME: David Tinley PHONE (A/C No. Ext): (505) 766-9676 FAX (A/C No.): (505) 766-9679 E-MAIL ADDRESS: tspence@danielsinsuranceinc.com												
INSURER(S) AFFORDING COVERAGE													
INSURED The Greater Albuquerque Housing Partnership 320 Gold Ave SW Suite 918 Albuquerque NM 87102 (505) 244-1614	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">INSURER A: Trisura Specialty Insurance Co</td> <td style="width: 20%;">NAIC # 16188</td> </tr> <tr> <td>INSURER B: Philadelphia Indemnity Insuran</td> <td>18058</td> </tr> <tr> <td>INSURER C: New Mexico Commercial Insuranc</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER A: Trisura Specialty Insurance Co	NAIC # 16188	INSURER B: Philadelphia Indemnity Insuran	18058	INSURER C: New Mexico Commercial Insuranc		INSURER D:		INSURER E:		INSURER F:	
INSURER A: Trisura Specialty Insurance Co	NAIC # 16188												
INSURER B: Philadelphia Indemnity Insuran	18058												
INSURER C: New Mexico Commercial Insuranc													
INSURER D:													
INSURER E:													
INSURER F:													

COVERAGES

TS

CERTIFICATE NUMBER: Cert ID 36979 (1)

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			PHPK2626830	11/17/2023	11/17/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Empl Benefits Liab \$ 1,000,000
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK2626830	11/17/2023	11/17/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHUB890116	11/17/2023	11/17/2024	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N	N/A	19500.126	11/17/2023	11/17/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
B	Crime			PHPK2626830	11/17/2023	11/17/2024	Employee Theft \$
B	Crime			PHPK2626830	11/17/2023	11/17/2024	ERISA Aggregate \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

General and Auto liability policies contain a Blanket Additional Insured provision that establishes the scope of Additional Insured coverage granted to the Certificate Holder. Where permitted by state law, and per a Blanket Waiver of Subrogation Endorsement, the Insurer waives its right to subrogate against the Certificate Holder by reason of payments made under the General and Auto liability and Workers' Compensation policies but only under the circumstances stated in the policies. Policies contain a 30 Day Notice of Cancellation 10 days for non-payment of premium provision that establishes the scope of Notice granted to the Certificate Holder. Umbrella/Excess Liability follows form. The City of Albuquerque is afforded a 30 Day Notice of Cancellation.

CERTIFICATE HOLDER**CANCELLATION**

Director, Risk Management Department City of Albuquerque PO Box 1293 Albuquerque NM 87103	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
----------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

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ACORD 25 (2016/03)

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CERTIFICATE COVERAGES OVERFLOW

DATE (MM/DD/YYYY)
11/29/2023

PRODUCER Daniels Insurance, Inc.-Albq. 320 Gold Avenue SW, Ste 700 Albuquerque NM 87102		INSURED The Greater Albuquerque Housing Partnership 320 Gold Ave SW Suite 918 Albuquerque NM 87102	
CONTACT NAME: David Tinley	PHONE (A/C, No, Ext): (505) 766-9676	PHONE (A/C, No, Ext): (505) 244-1614	

ADDITIONAL COVERAGES				CERTIFICATE NUMBER: Cert ID 36979		REVISION NUMBER:	
INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	Crime			PHPK2626830	11/17/2023	11/17/2024	Forge/Alter \$
B	Errors and Omissions			PHPK2626830	11/17/2023	11/17/2024	Each Occurrence \$ 1,000,000
B	Errors and Omissions			PHPK2626830	11/17/2023	11/17/2024	Aggregate \$ 2,000,000
B	D & O			PHSD1820794	11/17/2023	11/17/2024	Directors and Officers Per Claim \$ 1,000,000
B	EPLI			PHSD1820794	11/17/2023	11/17/2024	EPLI Per Claim Limit \$ 1,000,000
B	EPLI			PHSD1820794	11/17/2023	11/17/2024	EPLI Aggregate Limit \$ 1,000,000
B	EPLI			PHSD1820794	11/17/2023	11/17/2024	EPLI Retention Per Claim \$ 1,000
B	Sexual Abuse& Molestation			PHPK2626830	11/17/2023	11/17/2024	Per Occurrence \$ 1,000,000
B	Sexual Abuse& Molestation			PHPK2626830	11/17/2023	11/17/2024	Aggregate \$ 2,000,000
A	Cyber Liability			ATB-6679972-02	07/30/2023	07/30/2024	Per Occurrence \$ 2,000,000
							\$
							\$
							\$
							\$
							\$
							\$
							\$
							\$



Request for Supplier Information

Substitute Form

W9

 Department of Finance and
 Administrative Services

SECTION 1: CONTACT INFORMATION AND TAXPAYER IDENTIFICATION NUMBER

NAME (as shown on your income tax return). Name is required on this line; do not leave this line blank.

Greater Albuquerque Housing Partnership

BUSINESS NAME/ disregarded entity name, if different from above.

PRIMARY ADDRESS (number, street, and apt or suite no)

320 Gold Ave. SW #918

REMITTANCE ADDRESS (number, street, and apt or suite no)

320 Gold Ave. SW #918

CITY, STATE, and ZIP CODE

Albuquerque, NM 87102

REMITTANCE CITY, STATE, and ZIP CODE

Albuquerque, NM 87102

PHONE

505-244-1614

EMAIL ADDRESS

felipe@abqgahp.org

SOCIAL SECURITY NUMBER

OR

EMPLOYER IDENTIFICATION NUMBER

New Mexico CRS TAX ID (if applicable)

 - -
 -
 -

TAX CLASSIFICATION (check only one)

☐ INDIVIDUAL/SOLE PROPRIETOR or single-member LLC

☐ C CORPORATION

☐ S CORPORATION

☐ PARTNERSHIP

☐ TRUST/ESTATE

☐ LIMITED LIABILITY COMPANY-- Enter the tax classification (C=C Corporation, S=S Corporation, P=Partnership)

Note: For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.

☒ 501(C)3/NON-PROFIT ORGANIZATION

☐ OTHER (SEE INSTRUCTIONS)

EXEMPTIONS (codes apply to certain entities, not individuals; see instructions)

EXEMPT PAYEE CODE (if any)

EXEMPTION FROM FATCA REPORTING CODE (if any)

SECTION 2: BUSINESS DEMOGRAPHICS (CHECK ALL THAT APPLY)

☒ **Local Business** - Headquartered and maintains its principal office and place of business within the Greater Albuquerque Metropolitan Area (City of Albuquerque or Bernalillo County).

☐ **Doing Business Locally** - Either not headquartered or does not maintain its principal office and place of business here, but maintains a storefront in the Greater Albuquerque Metropolitan Area and employs one or more City of Albuquerque or Bernalillo County residents.

☐ **Woman Owned Business** - At least 51% owned and controlled by one or more women, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more women.

☐ **Minority Business Enterprise (MBE) Owned** - At least 51% owned and controlled by one or more racial/ethnic minorities or, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more racial/ethnic minorities. Please specify the race/ethnicity of minority owners (question to the right).

☐ **LGBTQ+ Owned Business** - At least 51% owned and controlled by one or more LGBTQ+ individuals, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more LGBTQ+ individuals.

☐ **None of the Above Categories Apply**

If your business is MBE-owned, please specify the race/ethnicity of minority owner(s). Check all that apply:

☐ Hispanic American

☐ Native American

☐ Black or African American

☐ Asian-Indian American

☐ Asian-Pacific American

SECTION 3: PURCHASE ORDERS (COMPLETE ONLY IF YOU ACCEPT POs)

ELECTRONIC POs AND INVOICES (select one)

☐ Transcepta (preferred method)

☐ Email

PO CONTACT INFORMATION

FULL NAME

EMAIL ADDRESS

SECTION 4: CERTIFICATION

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined in the instructions); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN.

The Internal Revenue Service does not require your consent to any provision on this document other than the certifications required to avoid backup withholding.

SIGNATURE of U.S. person

Rita Gonzalez

 DATE **December 7, 2023**

PRINT NAME

Rita Gonzalez

 TITLE **Controller**
SUBMIT FORM

Business Unit: POFCS	Requester: E29569	Status: Pending Approval
Requisition: RFC0017834	Requested By: Gonzales, Clarissa J	Currency: USD
Requisition Name: FY24 Farolito Senior GAHP	Entered Date: 1/10/24	Requisition Total: 4,187,152.00
Requisition Origin: FCS	Requisition Type: Social Services Contracts	
Hold PO Process:	Source Next Yr:	Blanket Exp Date:
Header Comments: CCN: 202400708 Supplier: Greater Albuquerque Housing Supplier ID: 0000111974 HOME PY19,20,21,22 ; TOP 12/7/2023-9/30/2025 ***Attention Purchasing: Please create POR*** CJG x83115		

Line: 1 Desc: Farolito 2019 Quantity: 1.0000 UOM: EA Price: Line Total: 1,092,672.90
1,092,672.90
Supplier: GREATER ALBUQUERQUE HOUSING Category: 952-92 Transitional Living

Buyer ID: E29569 Buyer Name: Gonzales, Clarissa J

Cert Source: COA Class: LOCAL

Amt Only Flg: Y

Ship Line: 1	Ship To: 10021	Address:	Shipping Quantity: 1.0000
Attention: Rick Giron	Due Date:	FC-Administration	Shipping Total: 1,092,672.90
Ship Via: COMMON	Freight Terms: DES	400 Marquette NW	
		Room 504	GRT Tax Code:
		Albuquerque NM 87102	NO-TAX
			Not Taxable-0%

Dist	Status	Qty	PCT	Amount	GL Unit	Account	Fund
1	Open	1.0000	100.00	1,092,672.90	ABQ01	527500	265

PC BU	Project	Activity	Capitalize
PCFCS	29_HOME_19	3163494	N

Line: 2 Desc: Farolito 2020 Quantity: 1.0000 UOM: EA Price: Line Total: 1,238,958.14
1,238,958.14
Supplier: GREATER ALBUQUERQUE HOUSING Category: 952-92 Transitional Living

Buyer ID: E29569 Buyer Name: Gonzales, Clarissa J

Cert Source: COA Class: LOCAL

Amt Only Flg: Y

Ship Line: 1	Ship To: 10021	Address:	Shipping Quantity: 1.0000
Attention: Rick, Giron	Due Date:	FC-Administration	Shipping Total: 1,238,958.14
Ship Via: COMMON	Freight Terms: DES	400 Marquette NW	
		Room 504	GRT Tax Code:
		Albuquerque NM 87102	NO-TAX
			Not Taxable-0%

Dist	Status	Qty	PCT	Amount	GL Unit	Account	Fund
1	Open	1.0000	100.00	1,238,958.14	ABQ01	527565	265

PC BU	Project	Activity	Capitalize
PCFCS	29_HOME_20	3163719	N

Source Type
NOIDC

Line: 3 Desc: Farolito 2021 Quantity: 1.0000 UOM: EA Price: 150,590.00 Line Total: 150,590.00
Supplier: GREATER ALBUQUERQUE HOUSING Category: 952-92 Transitional Living

Buyer ID: E29569 Buyer Name: Gonzales, Clarissa J

Cert Source: COA Class: LOCAL

Amt Only Flg: Y

Ship Line: 1	Ship To: 10021	Address:	Shipping Quantity: 1.0000
Attention: Rick Giron	Due Date:	FC-Administration	Shipping Total: 150,590.00
	Freight Terms: DES	400 Marquette NW	

Ship Via: COMMON

Room 504
Albuquerque NM 87102

GRT Tax Code:
NO-TAX
Not Taxable-0%

Dist	Status	Qty	PCT	Amount	GL Unit	Account	Fund
1	Open	1.0000	100.00	150,590.00	ABQ01	527565	265

PC BU	Project	Activity	Capitalize
PCFCS	29_HOME_21	3164039	N

Source Type
NOIDC

Line: 4

Desc: Farolito 2022
Supplier: GREATER ALBUQUERQUE HOUSING

Quantity: 1.0000 UOM: EA

Price: 633,142.96 Line Total: 633,142.96
Category: 952-92 Transitional Living

Buyer ID: E29569 Buyer Name: Gonzales, Clarissa J

Cert Source: COA Class: LOCAL

Amt Only Flg: Y

Ship Line: 1
Attention: Rick Giron
Ship Via: COMMON

Ship To: 10021
Due Date:
Freight Terms:DES

Address:
FC-Administration
400 Marquette NW
Room 504
Albuquerque NM 87102

Shipping Quantity: 1.0000
Shipping Total: 633,142.96

GRT Tax Code:
NO-TAX
Not Taxable-0%

Dist	Status	Qty	PCT	Amount	GL Unit	Account	Fund
1	Open	1.0000	100.00	633,142.96	ABQ01	527565	265

PC BU	Project	Activity	Capitalize
PCFCS	29_HOME_22	3164265	N

Source Type
NOIDC

Line: 5

Desc: Farolito Match 2022
Supplier: GREATER ALBUQUERQUE HOUSING

Quantity: 1.0000 UOM: EA

Price: 1,046,788.00 Line Total: 1,046,788.00
Category: 952-92 Transitional Living

Buyer ID: E29569 Buyer Name: Gonzales, Clarissa J

Cert Source: COA Class: LOCAL

Amt Only Flg: Y

Ship Line: 1
Attention: Rick Giron
Ship Via: COMMON

Ship To: 10021
Due Date:
Freight Terms:DES

Address:
FC-Administration
400 Marquette NW
Room 504
Albuquerque NM 87102

Shipping Quantity: 1.0000
Shipping Total: 1,046,788.00

GRT Tax Code:
NO-TAX
Not Taxable-0%

Dist	Status	Qty	PCT	Amount	GL Unit	Account	Fund
1	Open	1.0000	100.00	1,046,788.00	ABQ01	527565	265

PC BU	Project	Activity	Capitalize
PCFCS	29_HOME_22	3164266	N

Source Type
NOIDC

Line: 6

Desc: Farolito 2019
Supplier: GREATER ALBUQUERQUE HOUSING

Quantity: 1.0000 UOM: EA

Price: 25,000.00 Line Total: 25,000.00
Category: 952-92 Transitional Living

Buyer ID: E29569 Buyer Name: Gonzales, Clarissa J

Cert Source: COA Class: LOCAL

Amt Only Flg: Y

Ship Line: 1

Attention: Rick Giron

Ship Via: COMMON

Ship To: 10021

Due Date:

Freight Terms:DES

Address:

FC-Administration

400 Marquette NW

Room 504

Albuquerque NM 87102

Shipping Quantity: 1.0000

Shipping Total: 25,000.00

GRT Tax Code:

NO-TAX

Not Taxable-0%

Dist	Status	Qty	PCT	Amount	GL Unit	Account	Fund
1	Open	1.0000	100.00	25,000.00	ABQ01	527500	265
PC BU		Project			Activity	Capitalize	
PCFCS		29_HOME_19			3163494	N	

**FIRST SUPPLEMENT TO AMEND DEVELOPMENT AGREEMENT
(Farolito Senior Community)**

THIS FIRST SUPPLEMENT TO AMEND DEVELOPMENT AGREEMENT (the “First Amendment”) is dated the ____ day of _____, 2024 by and between **CITY OF ALBUQUERQUE**, Albuquerque, New Mexico, a New Mexico municipal corporation, (the “City”), and **SOL HOUSING**, a New Mexico nonprofit corporation, (the “Developer”). Sometimes, the City and the Developer are referred to herein as the “Parties.”

RECITALS

The Parties previously entered into that certain Development Agreement dated December 19, 2023 (the “Development Agreement”) in connection with the development of the project located at 10501 Central Ave. NE, Albuquerque, New Mexico, (the “Project”). Following the execution of the Development Agreement, the name of the Developer changed to Sol Housing. The Parties have agreed to modify the terms of the Development Agreement.

NOW, THEREFORE, for and in consideration of the foregoing premises, and the covenants and agreements of the Parties set forth herein below, together with other good and valuable consideration received by each of the Parties, the receipt and sufficiency of which are hereby acknowledged and confessed by each of the Parties, the Parties do hereby covenant and agree to modify the Development Agreement as follows:

AGREEMENT

1. The last sentence of Article III, Section 3.1.B shall be amended to read as follows:

“The Closing shall occur on or before September 30, 2024 unless extended by the Parties.”

2. Article IV, Section 4.2.A shall be amended to read as follows:

“A. The Developer shall complete the construction of the Project no later than May 31, 2026 (“Completion Date”). Failure to complete the construction by the Completion Date after notice and cure under Article XI is a material Event of Default of this Agreement.”

3. Article XI, Section 11.6.C shall be added as follows:

“C. The limited partner of the Ownership Entity (the “Limited Partner”), shall have the right, but not the obligation, to cure any default on the same terms as the Developer and/or Ownership Entity hereunder and any such cure shall be accepted by the City as if performed by the Developer and/or the Ownership Entity.”

4. Article XII, Section 12.1 shall be amended, to read as follows:

“Section 12.1 Notices. All notices, certificates, or other communications hereunder and in the City Note, the City Mortgage and the Restrictive Real Estate Covenants shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the City: Authorized City Representative
Director, Department of Family and Community Services
City of Albuquerque
Post Office Box 1293
Albuquerque, NM 87103

With a copy to: City Attorney
City of Albuquerque
Post Office Box 2248
Albuquerque, NM 87103

If to the Developer: Sol Housing
320 Gold Ave., SW, Suite 918
Albuquerque, NM 87102
Telephone: (505)

If to the Ownership Entity: Farolito Apartments Limited Partnership LLLP
c/o Sol Housing
320 Gold Ave., SW, Suite 918
Albuquerque, NM 87102

If to the Limited Partner: RJ MT Farolito Senior, L.L.C
c/o Raymond James Affordable Housing Investments, Inc.
880 Carillon Parkway
St. Petersburg, FL 33716
Attn: Steven J. Kropf, President
Email address: Steve.Kropf@RaymondJames.com

The City, Developer, the Ownership Entity and the Limited Partner may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, or other communications shall be sent.”

5. The following shall be added to Article XII, Section 12.29:

“The person executing this Agreement is the highest approval authority required by the City.”

6. Amendments to Exhibits. The following Exhibits and Schedules are replaced in their entirety with the documents and schedules attached hereto as Appendix A:

Exhibit B:	Legal Description
Exhibit C:	Mortgage, Assignment of Rents and Security Agreement
Exhibit D:	Promissory Note
Exhibit E:	Project Budget
Exhibit F:	Schedule of City Grant and Grant Payback Schedule
Exhibit G:	Development Schedule
Exhibit I:	Restrictive Real Estate Covenants
Exhibit J:	Collateral Assignment of Promissory Note and Mortgage, Assignment of Rents and Security Agreement
Exhibit K:	Agreement to Assume Rights and Responsibilities

7. Full Force and Effect. Except as otherwise modified herein, the terms and provisions of the original Development Agreement shall remain unchanged and are hereby ratified and confirmed.

8. Counterparts. This First Amendment may be executed in any number of counterparts and each such counterpart shall be deemed for all purposes to be an original and all such counterparts shall together constitute but one and the same amendment.

9. Electronic Signatures: The parties agree that this Agreement may be electronically signed and that the electronic signatures appearing on the Agreement are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the date stated above.

(SIGNATURES APPEAR ON THE FOLLOWING PAGES)

IN WITNESS WHEREOF the City and Developer have caused this Agreement to be executed in their respective names and all upon the final date of signature.


CITY OF ALBUQUERQUE

SOL HOUSING

(Signature below must be that of a board member or officer authorized to bind the corporation).


Approved By:

DocuSigned by:


BC2424C09B8741A...
Samantha Sengel
Chief Administrative Officer
City of Albuquerque

Date: 9/27/2024 | 11:32 AM MDT

DocuSigned by:


F9705DEAA0D2484...
Gilbert Ramirez, Director
Department of Health, Housing & Homelessness

Date: 9/19/2024 | 3:36 PM MDT

DocuSigned by:


1A21D96D32C74EE...
Lauren Keefe, City Attorney

Date: 9/19/2024 | 3:37 PM MDT

Signed by:

By: 
8B88A417751947F...
Felipe Rael
Executive Director

DEVELOPER:

SOL HOUSING,
a New Mexico nonprofit corporation

By: 
FELIPE RAEL, Executive Director

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

On this 20 day of AUGUST, 2024, before me personally appeared FELIPE RAEL, Executive Director, of SOL HOUSING, and to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed on behalf of the partnership.

STATE OF NEW MEXICO
NOTARIAL OFFICER
Dan Pick
My Commission Expires
New Mexico
State Bar No. 6296


NOTARY PUBLIC

APPENDIX A
(EXHIBITS AND SCHEDULES)

**COLLATERAL ASSIGNMENT OF
PROMISSORY NOTE AND MORTGAGE, ASSIGNMENT
OF RENTS AND SECURITY AGREEMENT**

THIS COLLATERAL ASSIGNMENT OF PROMISSORY NOTE AND MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT (this "Assignment"), dated as of the final date of signature below, is made by SOL HOUSING ("Assignor"), in favor of the CITY OF ALBUQUERQUE, a New Mexico municipal corporation, organized and existing under its charter and the Constitution and laws of the State of New Mexico ("Assignee").

Recitals

1. Assignor is an affiliate of FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP, a New Mexico limited liability limited partnership ("Owner"), and a sponsor of the development of the real property located in Albuquerque, New Mexico, more particularly described in Exhibit A, attached hereto and incorporated herein (the "Property"), into an affordable housing community known as the Farolito Senior Community Project (the "Project").

2. Pursuant to the Development Agreement dated December 19, 2023, as amended by its First Supplemental Agreement dated September 27, 2024, and as amended by its Second Supplemental Agreement dated of even date herewith (the "Development Agreement"), Assignee granted \$3,000,000.00 of American Rescue Plan Act (ARPA) funds to Assignor (the "ARPA Funds Grant"), and Assignor will loan, as of the date hereof, such funds to Owner for the construction and development of the Project (the "Loan").

3. Owner executed the Promissory Note executed September 30, 2024 in the principal amount of \$3,000,000.00 to evidence the Loan, payable to Assignor (the "Note").

4. The Note is secured by the Mortgage, Assignment of Rents, and Security Agreement dated September 30, 2024 and notarized August 20, 2024, for the benefit of Assignor, recorded in the real property records of the County of Bernalillo, New Mexico (the "Mortgage"), encumbering title to the Property.

5. The Loan (and the Note and Mortgage) is expressly made subordinate to the loan made by BOKF, NA, a national banking association, dba Bank of Albuquerque to Owner (the "Senior Loan") and each of the loan documents evidencing, governing and/or securing such loan (the "Senior Loan Documents") and otherwise affected by that certain Subordination and Standstill Agreement dated as of September 24, 2024, by and among the Senior Lender, Assignor and Owner (the "Subordination Agreement").

6. Assignor now desires to assign its rights under the Note and the Mortgage to Assignee in order to secure Owner's performance of its obligations under the Development Agreement and the Restrictive Real Estate Covenants, dated September 30, 2024 (the "Real Estate Covenants").

Assignment

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor, subject to the Subordination Agreement and limitation set forth below, hereby grants, bargains, sells, conveys, assigns, transfers and sets over unto Assignee all of Assignor's rights in the Note and the Mortgage, including without limitation, all monies now owing or that may hereafter become due or owing with respect to the Note and the full benefit of all the powers, covenants and provisos contained in the Note and the Mortgage.

Assignor represents and warrants that, as of the date hereof, there have been no amendments or modifications, either oral or written, to the Note or the Mortgage, and that none of the Property has been released from the lien of the Mortgage. Assignor further represents and warrants that (i) there has been no prior assignment of Assignor's rights under the Note or the Mortgage, and Assignor will make no other assignment thereof; (ii) Assignor has good right to assign its rights under the Note and the Mortgage, and to grant the rights herein granted; and (iii) neither the Note nor the Mortgage will be amended or reassigned without Assignee's prior written consent, which consent will not be unreasonably withheld or delayed.

In the event of a default of the Loan, Assignor covenants and agrees to do all things reasonably necessary to give effect to the intent of this Assignment, including but not limited to, immediately furnishing to Assignee copies of all notices of default relating to the Loan, executing any other documents necessary or reasonably requested to protect the interest of Assignee and to confirm the existence of this Assignment and, if necessary, to join with Assignee in asserting any claims against Owner, its successors and assigns, as the maker of the Note, and to remit any proceeds collected thereafter on the Note and the Mortgage to Assignee.

This is a collateral assignment securing any obligation to repay the ARPA Funds Grant under the Development Agreement or the Real Estate Covenants. The Owner and Assignor shall be jointly and severally liable to the Assignee to perform all terms and conditions of the Development Agreement. Notwithstanding anything to the contrary in this Assignment, so long as there is not an event of default beyond all applicable notice and cure periods under the Note or the Mortgage (including an event of default arising from Owner's failure to comply with the Real Estate Covenants or the Development Agreement), Assignor will be entitled to retain all payments received in connection with the Note, and Assignee will have no right whatsoever to exercise any of its rights under this Assignment until there is an uncured default of the Loan as provided in the Note and the Mortgage.

Assignor agrees that Assignee may enforce Assignor's rights with respect to the Note and the Mortgage upon any event of default (after the expiration of all applicable notice and cure periods) occasioned by the failure of Owner to comply with the covenants set forth in the Note or the Mortgage, and in particular, in the event of any failure to comply with the Real Estate Covenants or the Development Agreement.

Failure or delay on the part of Assignee to exercise any of its rights hereunder will not operate as a waiver of such rights unless so agreed in writing by Assignee, nor will any single or partial exercise by Assignee of any of its rights hereunder preclude the exercise of any other rights hereunder, and the waiver by Assignee of any default by Assignor hereunder will not constitute a continuing waiver or a waiver of any other default or of the same default on any future occasion.

The undersigned consents to the assignment of the Note and the Mortgage as set forth above as collateral for the Funds Grant, and to the rights granted to Assignee thereby.

FAROLITO APARTMENTS LIMITED PARTNERSHIP
LLLP, a New Mexico limited liability limited partnership

By: FAROLITO SENIOR L.L.C, a New Mexico limited
liability company, General Partner
By SOL HOUSING, Manager

By: _____
FELIPE RAEL, Executive Director

[illegible]

This instrument was acknowledged before me on the ____ day of _____, 2025, by Felipe Rael, Executive Director of SOL HOUSING, Manager of FAROLITO SENIOR L.L.C, General Partner of FAROLITO APARTMENTS LIMITED PARTNERSHIP LLLP a New Mexico limited liability limited partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

My commission expires: _____

Joined as the Assignee of the Loan, Note and Mortgage to evidence its understanding and acknowledgement of the Subordination Agreement and its effect upon the Loan, Note and Mortgage as provided therein.

CITY OF ALBUQUERQUE

By: _____
Samantha Sengel, Chief Administrative Officer

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

On this _____ day of _____, 2025, before me personally appeared Samantha Sengel, Chief Administrative Officer of the CITY OF ALBUQUERQUE, a New Mexico municipal corporation, on behalf of the City.

My Commission Expires: _____

Notary Public

Exhibit A

LEGAL DESCRIPTION

FAROLITO SENIOR COMMUNITY

10501 CENTRAL AVENUE NE

Parcel A as shown on the Boundary Survey of Tract C, Video Addition and Parcels of Land Owned by the State of New Mexico Situated Within the NW¼ NW¼ Sec. 28, T10N, R4E, NMPM, April 2016, recorded with the County Clerk of Bernalillo County on February 12, 2020 as Doc. No. 2020013489, containing 2.2856 acres, more or less.

Being and intended to be a tract of land situated within the NW¼NW¼, Section 28, Township 10 North Range 4 East, N.M.P.M., City of Albuquerque, Bernalillo County, New Mexico being more particularly described as follows:

BEGINNING at the Northeast corner of the herein described tract, being common with the Northeast corner of Tract A-1, Bellamah's Central Addition, as filed in the office of the County Clerk of Bernalillo County, New Mexico on November 2, 2005 in Plat Book 2005C, Page 376 running thence S. 87 deg. 10' 59" E., a distance of 300.00 feet to the Northeast corner; thence S. 00 deg. 55' 04" W., a distance of 345.20 feet to the Southeast corner, being a point on the Northerly line of Central Avenue; thence N. 82 deg. 12' 07" W., along the Northerly line of Central Avenue, a distance of 301.96 feet to the Southwest corner; thence N. 00 deg. 54' 32" E., a distance of 318.97 feet to the Northwest corner and place of beginning.