

EXHIBIT D

DOCUMENTATION REQUIRED BEFORE LOAN CLOSING

If Applicant is awarded a funding commitment, the City will require due diligence documentation for the City's review and approval prior to the ACAH loan closing. The City reserves the right to require additional documentation in connection with the closing of the ACAH loan.

The following documents will be required within sixty (60) days of the City-issued commitment letter. Additional documents may be required.

1. Evidence of Site Control

Provide evidence of site control including one of the following:

- Grant deed evidencing fee title ownership.
- Purchase agreement, including evidence that the agreement is of a term sufficient to hold the property until the anticipated date of purchase.
- Option to purchase or lease, including evidence that options are renewable until the start of construction.
- Long term lease agreement (of at least 55 years).

2. Environmental Assessment/California Environmental Quality Act/National Environmental Protection Act/Home Inspection Report

Provide a copy of the Home Inspection Report (for 1-to-4 unit properties) or a Phase I Environmental Assessment for the site (five units and greater). Applicants may be required to complete a Phase II Environmental Assessment and remediate potentially hazardous materials, if found on the site (sites must be free of significant contamination at loan closing). The City may reimburse for these costs upon acquisition, subject to prior approval. Depending on the conditions at the site, proposed projects may be subject to review under the California Environmental Quality Act (CEQA). Projects that receive CDBG-CV funds will also be subject to review under the National Environmental Protection Act (NEPA) and a NEPA consultant may be required as part of the review process.

3. Appraisal

Provide a copy of an "as is" appraisal, with no presumed condition like rezoning or cleanup, in order to determine the fair market value. Appraisals must conform to the Uniform Standards of Professional Appraisal Practice (USPAP), in particular, Standards 1 and 2. In addition, appraisals

must comply with the appraisal requirements of the Appraisal Institute’s Regulation 3. All appraisers must be California State Licensed/Certified. “Letter appraisals” are not acceptable. A self-contained appraisal report, per current USPAP guidelines, is the minimum acceptable form of appraisal, provided the evaluation includes both improvements and environmental issues, if either is present. The appraisal must include a separate as-is value for any improvements to be retained, or a demolition cost for any to be removed. Similarly, the estimate of environmental costs must be discussed in the appraisal.

4. Home Inspection Report/Physical or Capital Needs Assessment

For Acquisition/Rehabilitation Projects with one to four units, provide a home inspection report that describes the deficiencies that will be addressed by the rehabilitation, emergency repairs, health and safety issues and lead abatement and asbestos report (if the building was built before 1978). The home inspection report must also include preliminary cost estimates for the rehabilitation and/or needed repairs, or a cost estimate provided by a licensed contractor.

For Acquisition/Rehabilitation Projects with five or more units, provide a copy of a Physical Needs Assessment (PNA) or Capital Needs Assessment (CNA) that describes the deficiencies to be addressed by the rehabilitation, emergency repairs, health and safety issues and lead abatement and asbestos report, if applicable. PNA or CAN must also include cost estimates for the rehabilitation.

5. Joint Venture Agreement

If the applicant is a Joint Venture, and/or has previously entered into a Memorandum of Understanding with a development partner, an executed Joint Venture Agreement is required clearly describing the roles and responsibilities of each partner and identifying who is the lead partner or if the responsibilities are approximately equally split between the partners.

6. Community/Tenant Engagement Plan

Provide a narrative statement that describes your community/tenant engagement efforts taken to date, and your proposed future community/tenant engagement plan and schedule for the proposed project.

7. Updated Project Schedule

8. Updated Rehabilitation Estimate and Schematic Drawings

9. Final Proposed Development Budget, Operating Budget, and 30-Year Cash Flow; Current Rent Roll; Homeownership Sales Prices model (if applicable); Resident Shareholder Pricing model (if applicable); Cooperative Phase cash flow model (if applicable)

10. Firm Commitments for all Project Financing

11. Updated Property Management and Asset Management Plans
12. Updated Marketing and Management Plan
13. Updated Preliminary Title Report

The following documents will be required no fewer than forty-five (45) days prior to the estimated Loan closing date. Additional documents may be required.

14. Updated Preliminary Title Report within 90 days of closing
15. Insurance

At least six (6) weeks prior to the loan closing, Borrower is required to provide evidence of insurance coverages that meet the requirements set forth in the City's loan documents. The City's current required insurances as outlined in the City's Loan Agreement may be reviewed in **Exhibit H** to this NOFA. Please note that the City may update required insurances as applicable to projects.

16. Detailed Draw Request

Detailed draw request and back-up documentation, if requesting funds at loan closing.

17. Title Policy Insurance/Pro Forma Title Policy

Applicant must obtain at its own expense an ALTA Loan Policy of title insurance insuring the City, with liability not less than the principal amount of the loan. Pro Forma Title Policy will be reviewed prior to closing.