

FIRST AMENDMENT TO
HOME INVESTMENT PARTNERSHIPS ("HOME) PROGRAM AND /OR LOW INCOME
HOUSING TRUST FUND ("LIHTF") PROGRAM AGREEMENT TO FUND
SARANN KNIGHT APARTMENTS

THIS First Amendment to Home Investment Partnerships ("HOME) Program and /or Low Income Housing Trust Fund ("LIHTF") Program Agreement to Fund Sarann Knight Apartments ("First Amendment") is entered into this 17th day of September 2008 by and between the CITY OF LAS VEGAS, hereinafter referred to as "CITY, a municipal corporation of the State of Nevada, with offices located at City Hall, 400 Stewart, Las Vegas, Nevada 89101, and Community Development Programs Center of Nevada, a nonprofit corporation organized under the laws of the State of Nevada, with a mailing address of 2009 Alta Drive, Las Vegas, Nevada 89106, it permitted successors and assigns ("the Developer"). The City and the Developer are hereinafter sometimes referred to individually as a "Party" and collectively as the "Parties".

WITNESSETH

WHEREAS, the City and Developer have entered into the Home Investment Partnerships ("HOME) Program and /or Low Income Housing Trust Fund ("LIHTF") Program Agreement to Fund Sarann Knight Apartments between the City of Las Vegas and Community Development Programs Center of Nevada dated January 16th, 2008 (the "Agreement"); and

WHEREAS, the Parties desire to amend the Agreement to provide an additional \$250,000 in LIHTF Funds to the Developer for the purpose of constructing 82 two-bedroom units of affordable housing, which is commonly known and referred to as the "Sarann Knight Apartments" (the "Project") for an aggregate total of \$2,510,000 for the Project.

NOW, THEREFORE, for and in consideration of the premises and of the mutual promises and agreements which are hereinafter contained, the parties do hereby agree as follows:

1. Section II, "City Project Responsibilities" is hereby deleted in its entirety and the following is inserted in its place:

With the execution of this Agreement, the City agrees to provide the Developer with a deferred loan in the total amount of \$2,510,000 (\$1,118,000 in HOME Funds and \$1,392,000 in LIHTF Funds) (collectively the "HOME/LIHTF Funds" or "Project Funds") in a deferred loan to be used for the purpose of reimbursing the Developer for eligible Project costs incurred in constructing the Project. The HOME/LIHTF Funds shall be disbursed pursuant to the applicable provisions contained in Section IV of this Agreement after the request for payment has been received from the Developer and approved by the City.

2. Section III.2 is hereby deleted and the following is inserted in its place:

A Preliminary Title Report is provided to the City indicating that the title of the Property is held in a manner which is acceptable to the City, and a Title Insurance Policy, in a form acceptable to the City, is issued in the minimum amount of \$2,510,000 which names the City as an insured party thereunder. The Title Insurance Policy shall be issued prior to the Disbursement of any HOME/LIHTF Funds to the Developer.

3. Section VI(F)(4) Labor Standards and Davis Bacon Act is hereby deleted and the following is inserted in its place:

INTENTIONALLY OMITTED. This project is neither Davis Bacon nor Prevailing Wages.

4. The Project Description, Financing and Requirements attached to the Agreement as Exhibit “A” is hereby deleted and replaced with Exhibit “A-1” attached to this First Amendment.

5. The Project Budget attached to the Agreement as Exhibit “C” is hereby deleted and replaced with Exhibit “C-1” attached to this First Amendment.

6. The Legal Description attached to the Agreement as Exhibit “E” is hereby deleted and replaced with Exhibit E-1 attached to this First Amendment. The Developer has recorded a Parcel Map with the Clark County Recorder’s Office which is the basis for legal description set forth in Exhibit E-1. Subsequent to the execution of this First Amendment, the Clark County Assessor’s Office will be assigning a new Assessor Parcel Number to the property. The new Assessor’s Parcel Number will become a part of the legal description set forth in Exhibit E-1.

7. The Legal Description attached as Exhibit 1 to the All-Inclusive Leasehold Deed of Trust and Assignment of Rents Securing HOME Funds, All-Inclusive Leasehold Deed of Trust and Assignment of Rents Securing Low Income Housing Trust Funds, Assignment of Promissory Note and Leasehold Deed of Trust for HOME Funds, and Assignment of Promissory Note and Leasehold Deed of Trust for Low Income Housing Trust Funds, Attachments 3, 4, 5, and 6 to Exhibit A are hereby deleted and replaced with the legal description set forth in Exhibit E-1 attached to this First Amendment.

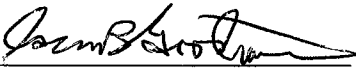
8. The Allonge for Low Income Housing Trust Funds attached to the Agreement as Exhibit “H (2)” is hereby deleted and replaced with Exhibit “H(2a)”.

9. Except as herein above set forth, all other provisions of the Agreement which are not inconsistent herewith shall remain in full force and effect.

Remainder of page intentionally left blank

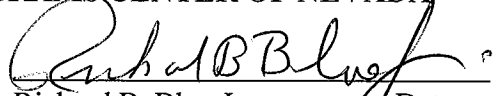
IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representations the day and year first above written.

CITY OF LAS VEGAS



Oscar B. Goodman, Mayor

**COMMUNITY DEVELOPMENT
PROGRAMS CENTER OF NEVADA**



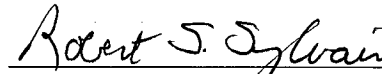
Richard B. Blue Jr. Date
President of Board of Directors

ATTEST:



Beverly Bridges, CMC, City Clerk

APPROVED AS TO FORM:

 8-28-08

Robert S. Sylvain Date
Deputy City Attorney

ACCEPTANCE OF DEFERRED LOAN AND AGREEMENT TO
COMPLY WITH DEFERRED LOAN CONDITIONS

I, Richard B. Blue Jr., President and Chairman of the Board of Directors of the Community Development Programs Center Nevada, a Nevada non-profit corporation, on behalf of that corporation, do hereby accept the deferred loan made and the conditions imposed upon that deferred loan contained in the First Amendment to HOME Investment Partnerships "HOME" Program and/or Low Income Housing Trust Fund (LIHTF) Agreement to Fund Sarann Knight Apartments, Project approved by the City Council of the City of Las Vegas, Nevada on the _____ day of _____, 2008, a copy of which is attached hereto and incorporated herein.

Executed this _____ day of _____, 20__.

COMMUNITY DEVELOPMENT PROGRAMS
CENTER OF NEVADA

By: _____
Richard B. Blue Jr., President and
Chairman of Board of Directors

State of Nevada)
County of Clark)

On this _____ day of _____, 2008, before me, the undersigned, a Notary Public in and for said county and State, personally appeared

_____ as _____, known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntary and for the uses and purposes therein mentioned.

Notary Public

TABLE OF EXHIBITS AND ATTACHMENTS

EXHIBIT "A-1" -- PROJECT DESCRIPTION, FINANCING AND REQUIREMENTS

ATTACHMENTS TO EXHIBIT A-1

Attachment 7: Promissory Note for \$250,000 in Low Income Housing Trust Funds

Attachment 8: All-Inclusive Deed of Trust and Assignment of Rents Securing \$250,000 in Low Income Housing Trust Funds

Attachment 9: Assignment of Promissory Note and Leasehold Deed of Trust for \$250,000 in Low Income Housing Trust Funds

EXHIBIT "C-1" -- PROJECT BUDGET

EXHIBIT "E-1" -- LEGAL DESCRIPTION

EXHIBIT "H(2a)" -- ALLONGE FOR LOW INCOME HOUSING TRUST FUNDS

EXHIBIT "I" -- DISCLOSURE OF PRINCIPALS

EXHIBIT "A-1"
PROJECT DESCRIPTION, FINANCING AND REQUIREMENTS

A. PROJECT DESCRIPTION

The Project involves the construction of an affordable housing apartment complex, commonly known as the "Sarann Knight Apartments", which will consist of 82 two-bedroom apartments with 8 floating units designated as HOME Units, and 10 floating units designated as LIHTF units. The Project will be located on the real property legally described in Exhibit "E-1" to the Agreement. The site of the Property is generally depicted on the Site Map, Exhibit "D-1" attached hereto and incorporated herein as a part of this Agreement. A rendering of the Project to be constructed is generally depicted on the Drawing, Exhibit "D-2" attached hereto and incorporated herein as a part of this Agreement

B. PROJECT FINANCING

The Project is being developed by Community Development Programs Center of Nevada, Inc. using both private and public financing. The Developer has put together a team to construct and operate the Project, and has obtained commitments for the financing of the Project through Low Income Housing Tax Credits, conventional loans, and HOME/LIHTF Funds provided by the City. The Project is owned by the Sarann Knight, LLC, a single purpose limited liability company, whose manager and member is Sarann MM, LLC, whose sole member and manager is Community Development Programs Center of Nevada.

1. Public Financing. The City agrees to provide up to \$2,510,000 to the Developer (\$1,118,000 in HOME Funds and \$1,392,000 in LIHTF Funds) to be used in the construction of the Project. The timing and method of providing HOME/LIHTF funds shall be entirely within the City's discretion. The Project Funds will be used according to the Project Budget, Exhibit "C-1" attached to the Agreement. Any Project costs in excess of the Project Funds will be the responsibility of the Developer unless otherwise agreed in writing by the City. The Developer assumes responsibility for all operational and maintenance costs of the Project.

CDPCN, LLC, whose sole member and manager is Community Development Program Centers of Nevada, is the owner of the Property which is the site of the Project. Community Development Program Centers of Nevada is the developer responsible to the City for the construction of the Project on the Property pursuant to this Agreement. Subsequent to the execution of this Agreement, the obligation to develop the Property is to be assigned to, and assumed by, the Sarann Knight, LLC., whose member and manager is Sarann MM, LLC, whose manager and sole member is Community Development Program Centers of Nevada. As part of the assumption of this obligation to develop the Property, Sarann Knight, LLC., will enter into a lease agreement with CDPCN, LLC., the owner of the Property, for a term of 55 years which will permit the construction of the Project on the Property.

The HOME/LIHTF Funds provided by the City to the Developer will be loaned at the Applicable Federal Rate (AFR) to Sarann Knight, LLC., and used for the reimbursement of the

HOME/LIHTF eligible Project costs incurred in constructing the Project. The City shall require reasonable assurances as security for the repayment of the HOME/LIHTF Funds in the event that the Developer fails to perform the obligations of this Agreement, which shall include the execution of three Promissory Notes in the amount of the HOME Funds (\$1,118,000) and the LIHTF Funds (\$1,142,000 and \$250,000) provided pursuant to this Agreement (Attachments 1, 2, and 7 to Exhibit "A"), and three All-Inclusive Leasehold Deeds of Trust and Assignment of Rents ("Deeds of Trust") (Attachments 3, 4 and 8 to Exhibit "A"), which Sarann Knight, LLC, as the lessee of the Property, shall execute as security for the aforementioned Promissory Notes and performance of the obligations of this Agreement to construct and operate the Project according to the requirements imposed as conditions to the receipt of the HOME/LIHTF Funding.

The Developer, as the Beneficiary of the aforementioned Deeds of Trust and Holder of the aforementioned Promissory Notes, shall execute the three Assignments of Promissory Note and Leasehold Deed of Trust (Attachments 5, 6 and 9 to Exhibit "A") which shall transfer and assign the Developer's interest and rights in the Promissory Notes and Deeds of Trust to the City as security for the Developer's performance of its obligations under this Agreement and, if necessary, repayment of the HOME/LIHTF Funds provided under the Agreement.

2. Other Financing. The Developer and the City acknowledge that the Property is or will be encumbered by one or more deeds of trust or other security interest created by the Developer, or its assignee, or Sarann Knight, LLC., or its assignee, to provide additional financing for construction of the Project which will be recorded in the Official Records of Clark County Records Office. The Developer and the City acknowledge that the Property will be subject to the Tax Credit Compliance Guaranties which constitutes the extended low-incoming housing commitment. The City acknowledges and agrees that the above described Deeds of Trust assigned to the City will be subject and subordinate to the Tax Credit Compliance Guaranties and any liens, deeds of trust or other security instruments required for the construction and permanent financing of the Project. Other than the aforementioned encumbrances, the Developer shall not allow the Property to be encumbered or attached in any manner with any liens, encumbrances or other security instruments during the Period of Affordability.

C. PROJECT REQUIREMENTS

1. The Project will be operated as affordable housing for a minimum period of 55 years from the date of that construction is completed for the Project. Of the 82 total two-bedroom units, 8 units will be designated as HOME units and 10 units will be designated as LIHTF units. Twenty (20%) percent of the HOME assisted units must be occupied by tenants whose income does not exceed 50% AMI. 100% percent of the HOME/LIHTF units must be occupied by tenants whose income does not exceed 60% AMI. The 18 designated units will be considered floating units that may change during the affordability period so long as the comparison of assisted units to non-assisted units remains constant in terms of number, size and features.

2. The Developer and/or the Sarann Knight, LLC, will not lease any portion of the HOME-assisted housing units to households who at the time of initial occupancy have income determinations that exceed 60% of area median income adjusted for family size as shown on the

HUD Program Income Guidelines attached hereto as Exhibit "F" which will be updated by HUD on an annual basis. The Developer agrees that the HOME-assisted unit rents will not exceed the Low HOME Rent limits established by HUD annually for the HOME program attached hereto as Exhibit "G." When tenants receive additional subsidy through rental assistance programs such as Section 8, the rent of a unit may be raised to the rental assistance program limit only if three HOME requirements are met: (i) the tenant is paying no more than 30 percent of their adjusted income; (ii) the subsidy is project-based (affects the entire project, not just a single unit); and (iii) the tenant's income is less than 50 percent of the area median income. If the subsidy is tenant-based (not project-based), the total HOME rent is the maximum amount for all sources that the owner may receive for HOME-assisted units. All tenants in the assisted units shall have leases with Developer the LLC, or their respective assignee, and furthermore, all leases shall be for a period of one year, unless a different period is agreed upon by Developer and the tenant(s).

3. If the HOME/LIHTF Units, or any portion thereof, are converted to non-qualified HOME activities, including if the HOME-assisted housing units, or any portion thereof, are subleased, the Developer will, upon request of the City, repay to the City, without interest, the amount of HOME/LIHTF Funds and other funds provided by the City for the Project.

4. If the Developer, or Sarann Knight, LLC., lose their legal position in the Property through foreclosure or any other proceeding, the Developer will, upon request of the City, repay to the City, as the assignee/beneficiary of the aforementioned Deeds of Trust, without interest, the amount of the HOME/LIHTF Funds and any other funds provided by the City for the Project.

5. The Developer will provide the Neighborhood Services Department Director with client usage records for HOME/LIHTF assisted units on a semi-annual basis during the affordability period of this Agreement. These records will contain but are not limited to, the following data:

- a. Total clients served;
- b. Racial breakdown of clients served including American Indian/Alaska Native, Asian, Black/African American, Native Hawaiian/ Other Pacific Islander, White, American Indian/Alaska Native and White, Asian and White, Black/African American and White, American Indian/Alaska Native and Black/African American, Other;
- c. Number of clients who report a Hispanic ethnicity;
- d. Number and percentage of Low and Very Low Income clients as defined by HUD HOME Program Income Guidelines (Exhibit "F");
- e. Number of handicapped clients served;
- f. Number of senior citizens served;
- g. Number of female head-of-households served;
- h. Number of renter households served, and rent charged;
- i. Number of owner households served; and
- j. Monthly rent paid by each household served.

6. If the Developer, or Sarann Knight, LLC, convey, sell or otherwise dispose of their interest in the Property, the Developer will repay immediately the amount of the LIHTF funds (\$1,392,000) to the City.

ATTACHMENT "7" TO EXHIBIT "A-1"

PROMISSORY NOTE FOR LOW INCOME HOUSING TRUST FUNDS

(ALL INCLUSIVE)

_____, 2008
\$250,000

Las Vegas, Nevada

FOR VALUE RECEIVED, the undersigned (herein "Maker") hereby promises to pay to the order of Community Development Programs Center of Nevada, a Nevada non-profit corporation (herein "Holder"), at 2009 Alta Drive, Las Vegas, NV 89106, or at such other place or to such other party as Holder may from time to time designate in writing, the principal sum of Two Hundred Fifty Thousand Dollars (\$250,000). This Note will be recourse to the Maker and shall bear interest at the Applicable Federal Rate, which will accrue during the term of the Note.

Each payment is to be applied when received first to any expenses reimbursable to Holder, second to any unpaid interest and third, any balance shall be used to reduce the principal balance. Maker shall have the right to prepay the indebtedness represented by this Promissory Note in full, or in part, at any time.

The indebtedness represented by this Note shall be due and payable in its entirety on the earlier of (i) during the Home Period of Affordability as defined in that certain HOME Investment Partnerships "HOME" Program and/or Low Income Housing Trust Fund (LIHTF) Agreement to Fund Sarann Knight Apartments (the "Agreement"), the date of non-compliance with the affordability requirements mandated by the Agreement or applicable state and federal laws and regulations relating to Low Income Housing Trust Funds or (ii) the date that Maker transfers its interest in the property described in the Agreement.

The Maker and any endorsers or guarantors hereof and all others who may become liable for all or part of this obligation, severally waive presentment for payment, demand and protest and notice of protest, and of dishonor and non-payment of this Note, and expressly consent to any extension of the time of payment hereof or of any installment hereof, to the release of any party liable for this obligation, and any such extension or release may be made without notice to any of said parties and without in any way affecting or discharging this liability.

In the event any of the payments from or performance by Maker required by the terms hereof be not paid or performed when same become due, then at any time thereafter, the whole of the unpaid principal balance of this Note shall, at the option of Holder and without notice, become immediately due and payable. This option may be exercised at any time after any such event and the acceptance by Holder of one or more installments or other payments or performance from any person thereafter shall not constitute a waiver of Holder's option.

Time is expressly made of the essence with respect to every provision hereof and the All-Inclusive Deed of Trust (defined below). This Note shall be governed by, construed and enforced exclusively in accordance with the laws of the State of Nevada.

This Note is secured by the certain All-Inclusive Deed of Trust of even date herewith executed by Maker, aka Trustor to Community Development Programs Center of Nevada., as trustee, in favor of Holder, as beneficiary, which All-Inclusive Deed of Trust ("All-Inclusive Deed of Trust") encumbers that certain real property more particularly described therein (the "Property").

The indebtedness evidenced by this Note shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by any note and security agreement in connection with the financing of the Sarann Knight Apartments, and to the extent and the manner provided in any such Subordination and Standstill Agreement that may be recorded and required by any lender in connection with the financing of the Sarann Knight Apartments. The All-Inclusive Deed of Trust securing this Note shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the deed of trust securing any notes or indebtedness for such financing. Holder and Maker agree to execute any subordination agreement that may be required by any party in connection with the financing of the Sarann Knight Apartments (the "Subordination Agreement").

The rights and remedies of the payee and each subsequent holder of this Note under the All-Inclusive Deed of Trust securing this Note are subject to the restrictions and limitations set forth in any such Subordination Agreement. Each subsequent holder of the Note shall be deemed, by virtue of such holder's acquisition of the Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by any subordinate lender including any such lender under the Subordination Agreement.

IN WITNESS WHEREOF, the Maker has caused this Note to be executed on its behalf by its duly authorized officer as of the date first above written.

Sarann Knight, LLC, a Nevada limited liability company

By: SARANN MM. LLC, MANAGER AND MEMBER OF SARANN KNIGHT, LLC

By: COMMUNITY DEVELOPMENT PROGRAMS CENTER OF NEVADA, MANAGER
AND MEMBER OF SARANN MM. LLC

By: _____

Richard B. Blue Jr., PRESIDENT OF COMMUNITY DEVELOPMENT PROGRAMS
CENTER OF NEVADA

ATTACHMENT "8" to Exhibit "A-1"

ALL-INCLUSIVE LEASEHOLD DEED OF TRUST AND ASSIGNMENT OF RENTS
SECURING LOW INCOME HOUSING TRUST FUNDS

(next page)

APN # 139-28-503-023

RECORDING REQUESTED BY AND

WHEN RECORDED MAIL TO:

COMMUNITY DEVELOPMENT
PROGRAMS CENTER OF NEVADA

2009 ALTA

LAS VEGAS, NV 89106

**ALL-INCLUSIVE LEASEHOLD DEED OF TRUST AND ASSIGNMENT OF RENTS
SECURING LOW INCOME HOUSING TRUST FUNDS**

This ALL-INCLUSIVE LEASEHOLD DEED OF TRUST, made this ____ day of _____, 2008, is made by Sarann Knight, LLC, a Nevada limited liability company, herein called TRUSTOR, whose address is 2009 Alta Drive, Las Vegas, NV 89106, to Fidelity National Agency of Nevada, Inc., a Nevada corporation herein called Trustee, whose address is 500 North Rainbow Boulevard, Suite 100, Las Vegas, NV 89108, for the benefit of Community Development Programs Center of Nevada, a Nevada corporation, herein called Beneficiary.

WITNESSETH: That Trustor irrevocably grants, transfers and assigns to Trustee in Trust for the benefit of Beneficiary, with power of sale and with right of entry and possession, that property in the City of Las Vegas, State of Nevada, legally described on Exhibit "1" hereto (herein the "Property"), together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents issues and profits.

For the purpose of securing (1) payment of the sum of Two Hundred Fifty Thousand Dollars (\$250,000) with interest thereon according to the terms of the All-Inclusive Promissory Note of even date herewith (the "Secured Note") made by Trustor, payable to the order of Beneficiary, or its assignee and any extensions or renewals thereof, and (2) the performance of each agreement of Trustor incorporated by reference or contained herein.

A. *Home/Trust Fund Contract*

1. This is an All-Inclusive Deed of Trust, securing (1) the Secured Note; and (2) by assignment from Beneficiary to the City of Las Vegas, the obligations of the Beneficiary to the City of Las Vegas, under First Amendment to the Home Investment Partnerships ("HOME") Program and/or Low Income Housing Trust Fund ("LIHTF") Program Agreement to Fund the

Sarann Knight Apartments, dated _____, 2008 herein the "HOME/LIHTF Agreement"). Trustor shall abide by the terms of the HOME/LIHTF Agreement. Trustor agrees to use the Property to construct the Project and to provide decent, safe, and sanitary units to HOME/LIHTF Program eligible recipients. Trustor agrees to maintain and operate the Property as a drug-free environment. Trustor agrees to maintain two (2) LIHTF-assisted units within the Property as Affordable Housing for a period of fifty-five (55) years from the date of execution of this Deed of Trust, unless terminated earlier pursuant to the HOME/LIHTF Agreement. Trustor agrees to abide by the HOME/Trust Fund rules, specifically 24 CFR 92, NRS 319, NAC 319 and the Trust Fund Administrative Guidelines, as applicable.

2. Trustor agrees to repay \$250,000 in LIHTF Program funds if a prohibited sale or transfer of the Property occurs as described in the HOME/LIHTF Agreement; provided, however, that the foregoing shall only apply to transfers of the Property and not to transfers of membership interest in Trustor. In any event, however, the units must remain affordable until the end of the 55-year affordability period.

3. The City of Las Vegas requests that a copy of any Notice of Default and any Notice of Sale hereunder be mailed to it at the following address: City of Las Vegas, Neighborhood Services Department, 400 Stewart Avenue – 2nd Floor, Las Vegas, NV 89101.

B. TO PROTECT THE SECURITY OF THE ALL-INCLUSIVE DEED OF TRUST, TRUSTOR AGREES:

1. To keep the Property in good condition and repair; not to remove or demolish and build thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefore; to comply with all laws affecting the Property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon the Property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of the Property may be reasonably necessary, the specific enumerations herein not excluding the general.

2. To provide, maintain and deliver to Beneficiary, or its assignee fire, vandalism and malicious mischief insurance satisfactory to and with loss payable to Beneficiary or its assignee.

3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary (including its assignee) or Trustee and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary, or its assignee, to foreclose this All-Inclusive Deed of Trust.

4. To pay; (a) at least ten days before delinquency all taxes and assessments affecting the Property, including assessments on appurtenant water stock; (b) when due, subject to the mutual agreements of the parties as below set forth, all encumbrances, charges and liens, with interest,

on the Property or any part thereof, which appear to be prior or superior hereto; and (c) all allowable expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon the Property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise and encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers; pay reasonable expenses, employ counsel and pay reasonable attorneys fees.

5. To pay immediately and with out demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditures at the rate provided in the Secured Note.

6. If the Property, or any part thereof, or any direct or indirect interest therein, shall be sold, conveyed, disposed of, alienated, hypothecated, leased (except to tenants of space in the improvements), assigned, pledged, mortgaged, further encumbered or otherwise transferred, or Trustor shall be divested of its title to the Property, or any direct or indirect interest therein, in any manner or way, whether voluntarily or involuntarily without the prior written consent of Beneficiary being first obtained, which consent may be withheld in Beneficiary's sole discretion, then the same shall constitute an event of default.

7. Trustor shall forever warrant, defend and preserve title and the validity and priority of the lien of this instrument and shall forever warrant and defend the same to Beneficiary against the claims of all persons whomsoever.

8. Trustor shall not cause or permit a sale, conveyance, mortgage, grant, bargain, encumbrance, pledge, assignment, grant of any options with respect to, or any other transfer or disposition (directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, and whether or not for consideration or of record) of a legal or beneficial interest in the Property or any part thereof, other than in accordance with the provisions of the HOME/LIHTF Agreement, and with the prior written consent of Beneficiary.

C. *IT IS MUTUALLY AGREED:*

1 Subject to the extent permitted under Nevada law, that any award of compensation and/or damages in connection with any condemnation for public use or of injury to the Property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such money received by it in the same manner and with the same effect as hereinafter provided for the disposition of the proceeds from fire or other insurance.

2. In the event of any fire or other casualty to the Property or eminent domain proceedings resulting in condemnation of the Property or any part thereof, Trustor shall have the right to

rebuild the Property, and to use all available insurance or condemnation proceeds therefore, provided that (a) such proceeds are sufficient to rebuild the Property in a manner that provides adequate security to Beneficiary for repayment of amounts due hereunder if such proceeds are insufficient then Trustor shall have funded any deficiency, (b) Beneficiary shall have the right to approve plans and specifications for any major rebuilding and the right to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, and (c) no material default then exists under the HOME/LIHTF Agreement. If the casualty or condemnation affects only part of the Property and total rebuilding is infeasible, then proceeds may be used for partial rebuilding and partial repayment of the amounts due hereunder in a manner that provides adequate security to Beneficiary for repayment of the remaining balance of the amounts due hereunder.

3. That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure promptly to pay.

4. That at any time or from time to time, without liability therefore and without notice, upon written request of Beneficiary and presentation of this All-Inclusive Deed of Trust and the Secured Note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey any part of the Property consent to the making of any map or plat thereof, join in granting any easement thereon or join in any extension agreement or any agreement subordinating the lien or charge hereof.

5. That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this All-Inclusive Deed of Trust and the Secured Note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose and upon payment of its fees, Trustee shall reconvey, without warranty, the Property then held hereunder. The recitals of such Reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such Reconveyance may be described as "the person or persons legally entitled thereto."

6. Notwithstanding anything to the contrary contained herein, Trustor hereby irrevocably assigns, gives to and confers upon Beneficiary or its designee the right, power and authority, during the continuance of this Trust to collect the rents, issues and profits of the Property, reserving unto Trustor the right, prior or subsequent to any default by Trustor in payment of any indebtedness hereby secured, to 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 allowable expenses of operation, upon any indebtedness secured hereby, and in such order as Beneficiary 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 or notice of defaults hereunder or invalidate any act done pursuant to such notice.

7. That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement secured hereunder, in addition to any rights or remedies available

to Beneficiary at law or in equity, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and notice of breach and of election to cause to be sold the Property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with the Trustee this All-Inclusive Deed of Trust, the Secured Note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of the notice of breach, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell the Property at the time and place fixed by it in the notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Sale of the Property must be contingent on the Property remaining as affordable housing and in compliance with the requirements set forth in the HOME/Trust Fund rules and regulations. Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement.

Trustee shall deliver to such purchaser its deed conveying the Property so sold, but without covenant or warranty, express or implied. The recitals in such deed of any matters of facts shall be conclusive proof of truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, include costs of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof, not then repaid, with accrued interest at the rate provided in the Secured Note; all other sums then secured hereby and the remainder, if any to the person or persons legally entitle thereto.

8. Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the county recorder of the county or counties where the Property is situated, shall be conclusive proof of the proper substitution of such successor Trustee or Trustees, who shall, without the need for any conveyance from the predecessor Trustee, succeed to all its title, estate rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and document number where this All-Inclusive Deed of Trust is recorded and the name and address of the Trustee.

9. That this All-Inclusive Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary as used herein shall mean the owner and holder of the Secured Note, and its assignee, including pledges of the Secured Note, whether or not named as Beneficiary herein. In this All-Inclusive Deed of Trust, whenever the context so requires, the neuter gender includes the feminine and/or masculine and the singular number includes the plural.

10. That the Trustee accepts this Trust when this All-Inclusive Deed of Trust, duly executed and acknowledged, is made a public record as provided. Trustee is not obligated to notify any

party hereto of pending sale under any other Deed of Trust or any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

11. Beneficiary acknowledges that Trustor is subject to the Tax Credit Compliance Guaranties, which constitutes the extended low-incoming housing commitment described in Section 42(h)(6)(B) of the Internal Revenue Code, as amended (the Code). For a period of three (3) years from the date of foreclosure, with respect to any unit that had been regulated by the Tax Credit Compliance Guaranty, Beneficiary agrees that (i) none of the eligible tenants occupying those units at the time of foreclosure may be evicted or their tenancy terminated (other than for good cause, including but not limited to, the tenants' ineligibility pursuant to regulations of the HOME Program or Section 42 of the Code), (ii) nor may any rent be increased except as otherwise permitted under Section 42 of the Code.

D. THE PARTIES FURTHER AGREE:

1. By Beneficiary's acceptance of the All-Inclusive Deed of Trust, Beneficiary agrees that provided Trustor is not in default on the Secured Note, Beneficiary shall pay all installments of principal and interest which become due under the terms of the HOME/LIHTF Agreement. In the event Trustor shall be in default on the Secured Note, Beneficiary's obligations under the HOME/LIHTF Agreement are deferred until the default under the Secured Note is cured. Should the Beneficiary default in and of the installments as to the payment on the HOME/LIHTF Agreement at a time when Trustor is not in default in performance of the obligations of the Trustor under the Secured Note or this All-Inclusive Deed of Trust, the Trustor, may make said payments directly to the holder of such HOME/LIHTF Agreement; any and all payments so made shall be credited to the Secured Note against the next succeeding installment of principal and interest. Nothing contained herein shall be construed to create a third party beneficiary relationship between the Beneficiary and any other person.

2. Notwithstanding any covenants contained in the HOME/LIHTF Agreement, Beneficiary shall have no further duty under this All-Inclusive Deed of Trust when: (i) the lien of this All-Inclusive Deed of Trust has been extinguished by foreclosure sale, or (ii) this All-Inclusive Deed of Trust has been duly reconveyed after payment in full of the Secured Note and subsequent to the payment of Beneficiary herein of Trustor's portion of the HOME/LIHTF Agreement which the Beneficiary herein is required to pay to the holder of said HOME/LIHTF Agreement.

Should Trustor be in default under the terms of the Secured Note and if Beneficiary consequently incurs any penalties, charges, or other expenses on account of the HOME/LIHTF Agreement during the period of such default, the amount of such penalties, charges and expenses shall be immediately added to the principal amount of the Secured Note and shall be immediately payable by Trustor to Beneficiary.

If, at any time the total of the unpaid balance of the Secured Note, the accrued interest thereon, all other sums due under the terms thereof and all sums advanced by Beneficiary pursuant to the terms of this All-Inclusive Deed of Trust, is equal to or less than the unpaid principal balance of the HOME/LIHTF Agreement and accrued interest thereon, the Secured

Note at the option of Beneficiary, may be canceled and the Property may be reconveyed free and clear from the lien of this All-Inclusive Deed of Trust.

3. Trustor and Beneficiary agree that in the event the proceeds of any condemnation award or settlement in lieu thereof, or the proceeds of any casualty insurance covering destructible improvements located upon the Property, are applied by the holder of the HOME/LIHTF Agreement in reduction of the unpaid principal amount thereof the unpaid principal balance of the Note secured hereby shall be reduced by an equivalent amount and be deemed applied to the last sums due under the Secured Note.

At such time as the Secured Note becomes fully due and payable, the unpaid indebtedness of principal and interest due on the HOME/LIHTF Agreement.

4. Any demand hereunder delivered by Beneficiary to Trustee for the foreclosure of the lien of this All-Inclusive Deed of Trust may not be for more than the sum of the following amounts: (i) The equity of Beneficiary in the Secured Note, which equity is the difference between the balance of the principal and interest accrued and unpaid on the Secured Note on the date of the foreclosure sale and the then unpaid balance of principal and interest so accrued and unpaid on the HOME/LIHTF Agreement as of the date of such foreclosure sale; plus (ii) the aggregate of all amounts theretofore paid by Beneficiary pursuant to the terms of this All-Inclusive Deed of Trust prior to the date of such foreclosure sale for taxes and assessments, insurance premiums, delinquency charges, foreclosure costs, and any other sums advanced by Beneficiary pursuant to the terms of the All-Inclusive Deed of Trust, to the extent the same were not previously repaid by Trustor to Beneficiary; plus (iii) the costs of foreclosure together with attorneys' fees and costs incurred by Beneficiary in enforcing this All-Inclusive Deed of Trust or the Secured Note as permitted by law.

5. Trustor covenants and agrees that Trustor shall perform and observe all obligations to be performed and observed by Trustor under this All-Inclusive Deed of Trust securing the Secured Note.

6. The following Covenant Nos. 1, 3, 4 (rate of interest is the default rate stated in the Secured Note), 5, 6, 7 (5%), 8 and 9 of NRS 107.030 are hereby adopted and made a part of this Deed of Trust, provided, however, that the express covenants of this All-Inclusive Deed of Trust shall control to the extent that the same are inconsistent with Covenant Nos. 1, 3, 4, 5 and 9 and provided further, that Covenant Nos. 6, 7 and 8 shall control over the express covenants of this Deed of Trust to the extent the same are inconsistent with Covenant Nos. 6, 7 and 8.

7. If a monetary event of default occurs under any of the terms of any of the Secured Note, prior to exercising any remedies thereunder Beneficiary shall give each of the Limited Partners of the Trustor, as identified below or as identified by written notice to Beneficiary, simultaneous written notice of such default. Trustor shall have a period of seven (7) days after such notice is given within which to cure the default prior to exercise of remedies by Beneficiary under the Secured Note, or such longer period of time as may be specified in the Secured Note. The

foregoing grace period shall run concurrently with the thirty-five (35) day cure period under NRS 107.080(2)(a)(2)

8. If a non-monetary event of default occurs under the terms of the Secured Note, prior to exercising any remedies thereunder Beneficiary shall give Trustor and each of the Limited Partners (or the Limited Liability Company if applicable), as identified below or as identified in a written notice to Beneficiary, simultaneous written notice of such default. If the default is reasonably capable of being cured within thirty (30) days, Trustor shall have such period to effect a cure prior to exercise of remedies by Beneficiary under the Secured Note, or such longer period of time as may be specified in the Secured Note. If the default is such that it is not reasonably capable of being cured within thirty (30) days, or such longer period if so specified, and if Trustor (a) initiates corrective action within said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then Trustor shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by Beneficiary. In no event shall Beneficiary be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default or the default is not cured within one hundred eighty (180) days after the first notice of default is given, or such longer period of time as may be specified in the Secured Note.

9. Beneficiary shall give any tax credit investor or any lender written notice of any default under any loan agreements and any cure periods shall commence on the effective date of any such notice, at the following address or such address provided by the tax credit investor:

TRUSTOR: Sarann Knight, LLC
c/o Community Development Programs Center of Nevada
2009 Alta Drive
Las Vegas, NV 89106
Attention: Executive Director

10. Any cure periods available to any tax credit investor or other lender, shall commence upon the date of any such notice to the tax credit investor or other lender, as applicable.

11. To the full extent permitted by law, Trustor agrees that Trustor shall 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, moratorium or extension, or any law now or hereafter in force providing for the reinstatement of the debt prior to any sale of the Property to be made pursuant to any provisions contained herein or prior to the entering of any decree, judgment or order of any court of competent jurisdiction, or any right under any statute to redeem all or any part of the Property so sold. Trustor, for Trustor and Trustor's successors and assigns, and for any and all persons ever claiming any interest in the Property, to the full extent permitted by law, hereby knowingly, intentionally and voluntarily, with and upon the advice of competent counsel: (a) waives, releases, relinquishes and forever forgoes all rights of valuation, appraisal, stay of execution, reinstatement and notice of election or intention to mature or declare due the debt (except such notices as are specifically provided for herein); (b) waives, releases, relinquishes and forever forgoes all right to a marshaling of the assets of Trustor, including the Property, to a

sale in the inverse order of alienation, or to direct the order in which any of the Property shall be sold in the event of foreclosure of the liens and security interests hereby created and agrees that any court having jurisdiction to foreclose such liens and security interests may order the Property sold as an entirety; and (c) waives, releases, relinquishes and forever forgoes all rights and periods of redemption provided under applicable law. To the full extent permitted by law, Trustor shall not have or assert any right under any statute or rule of law pertaining to the exemption of homestead or other exemption under any federal, state or local law now or hereafter in effect, the administration of estates of decedents or other matters whatever to defeat, reduce or affect the right of Beneficiary under the terms of this All-Inclusive Deed of Trust to a sale of the Property, for the collection of the debt without any prior or different resort for collection, or the right of Beneficiary under the terms of this All-Inclusive Deed of Trust to the payment of the debt out of the proceeds of sale of the Property in preference to every other claimant whatever. Furthermore, Trustor hereby knowingly, intentionally and voluntarily, with and upon the advice of competent counsel, waives, releases, relinquishes and forever forgoes all present and future statutes of limitations as a defense to any action to enforce the provisions of this All-Inclusive Deed of Trust or to collect any of the debt to the fullest extent permitted by law. Trustor covenants and agrees that upon the commencement of a voluntary or involuntary bankruptcy proceeding by or against Trustor, Trustor shall not seek a supplemental stay or otherwise shall not seek pursuant to 11 U.S.C. §105 or any other provision of the Bankruptcy Reform Act of 1978, as amended, or any other debtor relief law (whether statutory, common law, case law, or otherwise) of any jurisdiction whatsoever, now or hereafter in effect, which may be or become applicable, to stay, interdict, condition, reduce or inhibit the ability of Beneficiary to enforce any rights of Beneficiary against any guarantor or indemnitor of the secured obligations or any other party liable with respect thereto by virtue of any indemnity, guaranty or otherwise.

12. Trustor, to the full extent permitted by law, hereby knowingly, intentionally and voluntarily, with and upon the advice of competent counsel, (i) submits to personal jurisdiction in the state in which the premises is located over any suit, action or proceeding by any person arising from or relating to the note, this all-inclusive deed of trust or any other of the documents referenced herein, (ii) agrees that any such action, suit or proceeding may be brought in any state or federal court of competent jurisdiction sitting in the county in which the premises is located, (iii) submits to the jurisdiction of such courts, and (iv) to the fullest extent permitted by law, agrees that it will not bring any action, suit or proceeding in any other forum (but nothing herein shall affect the right of beneficiary to bring any action, suit or proceeding in any other forum).

13. This All-Inclusive Deed of Trust will be governed by and construed in accordance with the laws of the State of Nevada, provided that to the extent that any of such laws may now or hereafter be preempted by federal law, such federal law shall so govern and be controlling, and provided further that the laws of the State of Nevada shall govern as to the creation, priority and enforcement of liens and security interests in the Property located in Nevada.

14. Beneficiary may waive any single event of default by Trustor hereunder without waiving any other prior or subsequent event of default. Beneficiary may remedy any event of default by Trustor hereunder without waiving the event of default remedied. Neither the failure by Beneficiary to exercise, nor the delay by Beneficiary in exercising, any right, power or remedy

upon any event of default by Trustor hereunder shall be construed as a waiver of such event of default or as a waiver of the right to exercise any such right, power or remedy at a later date. No single or partial exercise by Beneficiary of any right, power or remedy hereunder shall exhaust the same or shall preclude any other or further exercise thereof, and every such right, power or remedy hereunder may be exercised at any time and from time to time. No modification or waiver of any provision hereof nor consent to any departure by Trustor therefrom shall in any event be effective unless the same shall be in writing and signed by Beneficiary, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose given. Acceptance by Beneficiary of any payment in an amount less than the amount then due on any of the debt shall be deemed an acceptance on account only and shall not in any way affect the total amount that is due and owing or the existence of an event of default. In case Beneficiary shall have proceeded to invoke any right, remedy or recourse permitted hereunder or under the other documents incorporated herein and shall thereafter elect to discontinue or abandon the same for any reason, Beneficiary shall have the unqualified right to do so and, in such an event, Trustor and Beneficiary shall be restored to their former positions with respect to the debt, the Property and otherwise, and the rights, remedies, recourses and powers of Beneficiary shall continue as if the same had never been invoked.

15. A determination that any provision of this All-Inclusive Deed of Trust is unenforceable or invalid shall not affect the enforceability or validity of any other provision, and any determination that the application of any provision of this All-Inclusive Deed of Trust to any person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to any other persons or circumstances.

16. Without affecting Trustor's liability for the payment of any of the debt, Beneficiary may from time to time and without notice to Trustor: (a) release any person liable for the payment of the debt; (b) extend or modify the terms of payment of the debt; (c) accept additional real or personal property of any kind as security or alter, substitute or release any property securing the debt; (d) recover any part of the Property; or (e) join in any extension agreement of this All-Inclusive Deed of Trust or any agreement subordinating the lien hereof.

17. All remedies contained in this All-Inclusive Deed of Trust are cumulative and Beneficiary shall also have all other remedies provided at law and in equity or in any other documents referenced herein. Such remedies may be pursued separately, successively or concurrently at the sole subjective direction of Beneficiary and may be exercised in any order and as often as occasion therefore shall arise. No act of Beneficiary shall be construed as an election to proceed under any particular provisions of this All-Inclusive Deed of Trust to the exclusion of any other provision of this All-Inclusive Deed of Trust or as an election of remedies to the exclusion of any other remedy which may then or thereafter be available to Beneficiary.

18. Trustor shall, on the request of Beneficiary and at the expense of Trustor: (a) promptly correct any defect, error or omission which may be discovered in the contents of this All-Inclusive Deed of Trust; (b) promptly execute, acknowledge, deliver and record or file such further instruments (including, without limitation, further mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements and assignments of

rents or leases) and promptly do such further acts as may be necessary, desirable or proper to carry out more effectively the purposes of this All-Inclusive Deed of Trust and to subject to the liens and security interests hereof and thereof any property intended by the terms hereof and thereof to be covered hereby and thereby, including specifically, but without limitation, any renewals, additions, substitutions, replacements or appurtenances to the Property; (c) promptly execute, acknowledge, deliver, procure and record or file any document or instrument (including specifically, without limitation, any financing statement) deemed advisable by Beneficiary to protect, continue or perfect the liens or the security interests hereunder against the rights or interests of third persons; and (d) promptly furnish to Beneficiary, upon Beneficiary's request, a duly acknowledged written statement and estoppel certificate addressed to such party or parties as directed by Beneficiary and in form and substance supplied by Beneficiary, setting forth all amounts due under the Secured Note, stating whether any default or event of default has occurred hereunder, stating whether any offsets or defenses exist against the debt and containing such other matters as Beneficiary may reasonably require.

19. Trustor shall pay all costs and expenses of every character reasonably incurred in connection with the closing of the loan evidenced by the Secured Note and secured hereby, attributable or chargeable to Trustor as the owner of the Property or otherwise attributable to any consent requested of Beneficiary, including, without limitation, appraisal fees, recording fees, documentary, stamp, mortgage or intangible taxes, brokerage fees and commissions, title policy premiums and title search fees, uniform commercial code/tax lien/litigation search fees, escrow fees, consultants' fees and reasonable attorneys' fees. If Trustor defaults in any such payment, which default is not cured within any applicable grace or cure period, Beneficiary may pay the same and Trustor shall reimburse Beneficiary on demand for all such costs and expenses incurred or paid by Beneficiary, together with such interest thereon at the default interest rate from and after the date of Beneficiary's making such payment until reimbursement thereof by Trustor. Any such sums disbursed by Beneficiary, together with such interest thereon, shall be additional indebtedness of Trustor secured by this All-Inclusive Deed of Trust.

20. Trustor shall promptly notify Beneficiary in writing of any litigation or threatened litigation affecting the Property, or any other demand or claim which, if enforced, could impair or threaten to impair Beneficiary's security hereunder. Without limiting or waiving any other rights and remedies of Beneficiary hereunder, if Trustor fails to perform any of its covenants or agreements contained in this All-Inclusive Deed of Trust or in any and such failure is not cured within any applicable grace or cure period, or if any action or proceeding of any kind (including, but not limited to, any bankruptcy, insolvency, arrangement, reorganization or other debtor relief proceeding) is commenced which might affect Beneficiary's interest in the Property or Beneficiary's right to enforce its security, then Beneficiary may, at its option, with or without notice to Trustor, make any appearances, disburse any sums and take any actions as may be necessary or desirable to protect or enforce the security of this All-Inclusive Deed of Trust or to remedy the failure of Trustor to perform its covenants and agreements (without, however, waiving any default of Trustor).

21. Trustor agrees to pay on demand all expenses of Beneficiary or Trustee incurred with respect to the foregoing (including, but not limited to, reasonable fees and disbursements of

counsel), together with interest thereon from and after the date on which Beneficiary or Trustee incurs such expenses until reimbursement thereof by Trustor. Any such expenses so incurred by Beneficiary, together with interest thereon as provided above, shall be additional indebtedness of Trustor secured by this All-Inclusive Deed of Trust. The necessity for any such actions and of the amounts to be paid shall be determined by Beneficiary in its discretion. Beneficiary is hereby empowered to enter and to authorize others to enter upon the Property or any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without thereby becoming liable to Trustor or any person in possession holding under Trustor.

22. Trustor hereby indemnifies and holds Beneficiary harmless for, from and against all loss, cost and expenses with respect to any event of default hereof, any liens (i.e., judgments, mechanics' and materialmen's liens, or otherwise), charges and encumbrances filed against the Property, and from any claims and demands for damages or injury, including claims for property damage, personal injury or wrongful death, arising out of or in connection with any accident or fire or other casualty on the Property or the improvements thereon or any nuisance made or suffered thereon, including, without limitation, in any case, reasonable attorneys' fees, costs and expenses as aforesaid, whether at pretrial, trial or appellate level, and such indemnity shall survive payment in full of the debt. This Section shall not be construed to require Beneficiary to incur any expenses, make any appearances or take any actions.

23. Trustor acknowledges that the Property is or may be subject to liens or encumbrances of record in existence as of the Effective Date of this All-Inclusive Deed of Trust and this All-Inclusive Deed of Trust is or may be subordinate to such prior liens or encumbrances.

TRUSTOR:

Sarann Knight, LLC

a Nevada Limited Liability Company

By: Sarann MM. LLC, Manager and Member of Sarann Knight, LLC

By: Community Development Programs Center of Nevada, Manager and Member of Sarann MM, LLC

By:

Richard B. Blue Jr., President of Community Development Programs Center of Nevada

STATE OF NEVADA

)

) ss

COUNTY OF CLARK

)

On this ____ day of _____, 2008, _____ personally appeared before me a Notary Public in and for said County and State, and is known to me to be the person described in and who executed the within and foregoing instrument, and who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said County of Clark, the day and year first above written.

Notary Public _____ My commission expires _____

Exhibit "1"

LEGAL DESCRIPTION FOR
PROPOSED LOT 2

BEING A PORTION OF PARCEL 2 OF FILE 87, PAGE 93 OF PARCEL MAPS,
OFFICIAL RECORDS, CLARK COUNTY, NEVADA, MORE PARTICULARLY
DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF PARCEL 2 AS SHOWN IN SAID
PARCEL MAP;
THENCE NORTH 00 05'45" WEST A DISTANCE OF 135.60 FEET TO THE POINT OF
BEGINNING;
THENCE CONTINUING NORTH 00 05'45" WEST A DISTANCE OF 284.74 FEET;
THENCE NORTH 89 53'55" EAST A DISTANCE OF 428.23 FEET;
THENCE SOUTH 00 05'54" WEST A DISTANCE OF 284.76 FEET;
THENCE SOUTH 89 54'06" WEST A DISTANCE OF 428.23 FEET, RETURNING TO
THE POINT OF BEGINNING.
CONTAINING 2.80 ACRES OR 121,939 SQUARE FEET, MORE OR LESS

PREPARED BY:
LYLE E. YENGLIN
PROFESSIONAL LAND SURVEYOR
NEVADA CERTIFICATE NO. 17019
AS AN AGENT FOR BAUGHMAN & TURNER, INC.

BASIS OF BEARING:
NORTH 00 41'22" WEST – THE WEST LINE OF THE NORTHEAST QUARTER
(NE1/4) OF THE NORTHEAST QUARTER (NE1/4) OF SECTION 28, TOWNSHIP 20
SOUTH, RANGE 61 EAST, M.D.M., AS SHOWN ON FILE 87, PAGE 93 OF PARCEL
MAPS, OFFICIAL RECORDS, CLARK COUNTY, NEVADA.

BAUGHMAN & TURNER, INC
1210 HINSON ST.
LAS VEGAS, NEVADA 89102
(702) 870-8771

ATTACHMENT "9" TO EXHIBIT "A-1"
ASSIGNMENT OF PROMISSORY NOTE AND LEASEHOLD DEED OF TRUST
LOW INCOME HOUSING TRUST FUNDS

(next page)

APN #139-28-503-023
When recorded, return to:
City of Las Vegas/Earlie King
Neighborhood Services Department
400 Stewart Avenue
Las Vegas, NV 89101

ASSIGNMENT OF PROMISSORY NOTE AND LEASEHOLD DEED OF TRUST
LOW INCOME HOUSING TRUST FUNDS

FOR VALUE RECEIVED, the undersigned, Community Development Programs Center of Nevada, a Nevada nonprofit corporation, hereby grants, assigns and transfers to the City of Las Vegas, all of the undersigned's right, title and interest in that certain Leasehold Deed of Trust, dated as of _____ and recorded in the Official Records of the County Recorders Office for the County of Clark on _____ as Instrument No. _____ (the "**Deed of Trust**"), together with the undersigned's right, title and interest in and to that certain Promissory Note in the amount of \$250,000 executed by Sarann Knight, LLC, a Nevada limited liability company in favor of the undersigned which is described in the Deed of Trust, the money due and to become due thereon with interest and all rights accrued or to accrue under the Deed of Trust. The Deed of Trust encumbers that certain real property described on the attached Exhibit "1". IN WITNESS WHEREOF, the undersigned has executed this Assignment of Deed of Trust as of _____.

COMMUNITY DEVELOPMENT PROGRAMS
CENTER OF NEVADA

By: _____
Richard Blue Date
President and Chairman of the Board of Directors

STATE OF NEVADA)
) ss
COUNTY OF CLARK)

On this ____ day of _____, 200__, _____ personally appeared before me a Notary Public in and for said County and State, and is known to me to be the person described in and who executed the within and foregoing instrument, and who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said County of Clark, the day and year first above written.
Notary Public _____ My commission expires _____

Exhibit "1"

LEGAL DESCRIPTION FOR
PROPOSED LOT 2

BEING A PORTION OF PARCEL 2 OF FILE 87, PAGE 93 OF PARCEL MAPS,
OFFICIAL RECORDS, CLARK COUNTY, NEVADA, MORE PARTICULARLY
DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF PARCEL 2 AS SHOWN IN SAID
PARCEL MAP;
THENCE NORTH 00 05'45" WEST A DISTANCE OF 135.60 FEET TO THE POINT OF
BEGINNING;
THENCE CONTINUING NORTH 00 05'45" WEST A DISTANCE OF 284.74 FEET;
THENCE NORTH 89 53'55" EAST A DISTANCE OF 428.23 FEET;
THENCE SOUTH 00 05'54" WEST A DISTANCE OF 284.76 FEET;
THENCE SOUTH 89 54'06" WEST A DISTANCE OF 428.23 FEET, RETURNING TO
THE POINT OF BEGINNING.
CONTAINING 2.80 ACRES OR 121,939 SQUARE FEET, MORE OR LESS

PREPARED BY:
LYLE E. YENGLIN
PROFESSIONAL LAND SURVEYOR
NEVADA CERTIFICATE NO. 17019
AS AN AGENT FOR BAUGHMAN & TURNER, INC.

BASIS OF BEARING:
NORTH 00 41'22" WEST – THE WEST LINE OF THE NORTHEAST QUARTER
(NE1/4) OF THE NORTHEAST QUARTER (NE1/4) OF SECTION 28, TOWNSHIP 20
SOUTH, RANGE 61 EAST, M.D.M., AS SHOWN ON FILE 87, PAGE 93 OF PARCEL
MAPS, OFFICIAL RECORDS, CLARK COUNTY, NEVADA.

BAUGHMAN & TURNER, INC
1210 HINSON ST.
LAS VEGAS, NEVADA 89102
(702) 870-8771

EXHIBIT "C-1"
PROJECT BUDGET
HOME/LIHTF BUDGET

<u>Item</u>	<u>Total Estimated Cost</u>	HOME/LIHTF Funded
Acquisition of Land & Buildings:		
Land (construction must start within one year of Council approval)	\$1	\$
Existing Building(s)	\$	\$
Other:	\$	\$
Subtotal-Acquisition of Land & Buildings	\$1	\$
Construction/Rehabilitation Costs:		
*(Include a detailed description of these costs, and explain how they were estimated on a separate paper.)		
Demolition Costs	\$ 500,000	\$ 500,000
New Building Costs	\$8,320,000	\$ 892,000
Rehabilitation Costs	\$	\$
Site Work	\$ 640,000	\$175,000
Off-Site Improvements	\$ 99,500	\$30,000
Furnishing	\$ 95,000	\$
Other: General Requirements	\$ 96,000	\$
Other: Contractor Overhead	\$ 450,000	\$
Contractor Fee	\$ 288,165	\$
Construction Contingency	\$ 275,000	\$
Subtotal-Construction/Rehabilitation Costs	\$10,763,666	\$1,392,000
Construction Financing Costs:		
Construction Insurance	\$ 175,000	\$
Construction Loan Interest:		
Int.%	7.5	Amt
		Term (mo)
		24
	\$ 200,000	\$
Construction Loan Origination Fee	\$ 56,000	\$ 45,000
Property Taxes During Construction	\$ 9,000	\$
Other:	\$	\$
Subtotal-Construction Financing Costs	\$ 440,000	\$ 45,000
Permanent Loan Financing Costs:		
Credit Report	\$	\$
Permanent Loan Origination Fee	\$ 19,000	\$
Title and Recording Fees	\$ 35,000	\$ 35,000
Legal Fees	\$	\$
Documentation Prep. Fees	\$	\$
Escrow Closing Fee	\$	\$
Escrow Prepaid Items (insurance, taxes, interest)	\$	\$
Other: Marketing	\$ 75,000	\$
Subtotal-Permanent Loan Financing Costs	\$ 129,000	\$ 35,000
PAGE SUBTOTAL (ALL)	\$ 11,332,666	\$ 1,472,000

<u>Item</u>	Total Estimated Cost	HOME/LIHTF FUNDED
Related Soft Costs - General:		
Architectural Design Fees	\$280,000	\$280,000
Architectural Supervision (if applicable)	\$	Not Eligible
Engineering Fees	\$119,000	\$119,000
Engineering Supervision (if applicable)	\$	Not Eligible
Survey	\$	\$
Appraisal Fee(s)	\$ 7,500	\$ 7,000
Environmental Report	\$ 29,000	\$ 16,000
Soils Report	\$	\$
Market Study	\$ 7,500	\$ 5,000
Project Audit Fee	\$ 22,500	\$ 8,000
Legal Fees	\$ 75,000	\$ 75,000
Tax Credit Fees	\$ 91,250	\$ 48,000
Local Impact fees	\$ 330,000	\$ 330,000
Construction Control	\$	\$
Other: Rent Reserves Lease up Reserves	\$ 175,000	\$ 150,000
Subtotal-Related Soft Costs/General	\$1,136,750	\$ 1,038,000

Developer Costs:		
Developer's Overhead	\$	N/A
Developer's Fee*	\$1,552,056	\$
Other:	\$	\$
Subtotal-Developer Costs	\$1,552,056	\$
*Attach a detailed payment schedule of Developer Fees		
Page Subtotal	\$ 2,688,806	\$ 1,038,000
Previous Page Subtotal	\$11,332,666	\$ 1,472,000
TOTAL ESTIMATED COST	\$14,021,472	\$ 2,510,000

BUDGET \$2,510,000

Hard Cost \$1,392,000 (LIHTF)

Demolition (Abatement/Survey)	\$ 200,000
Demolition (Demolition Related)	<u>\$ 300,000</u>
	\$ 500,000
Framing (Panel walls)	\$ 262,000
Framing (Lumber)	\$ 50,000
Framing (Truss)	\$ 50,000
Off site Improvements	\$ 30,000
Site Work (Water)	\$ 50,000
Site Work (Sewer)	\$ 50,000
Site Work (Dry Utilities)	\$ 25,000
Concrete slab	\$ 325,000
Site Work (Grading)	\$ 50,000
TOTAL	\$ 892,000
Grand Total	\$1,392,000

Soft Cost \$1,118,000 (HOME Funds)

Loan Origination fee	\$ 45,000
Local Permit/Impact fess	\$ 330,000
Engineering/Architect Fees	\$ 399,000
Tax Credit Fees	\$ 48,000
Title & Recording Fees	\$ 35,000
Appraisal	\$ 7,000
Lease up Reserve	\$ 150,000
Market Study	\$ 5,000
Project Audit fee, accounting	\$ 8,000
Legal Fees	\$ 75,000
Environmental Reports (Soils/Testing)	\$ 16,000
TOTAL	\$1,118,000
Grand Total	\$2,510,000

EXHIBIT "E-1"

**LEGAL DESCRIPTION FOR
PROPOSED LOT 2**

BEING A PORTION OF PARCEL 2 OF FILE 87, PAGE 93 OF PARCEL MAPS,
OFFICIAL RECORDS, CLARK COUNTY, NEVADA, MORE PARTICULARLY
DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF PARCEL 2 AS SHOWN IN SAID
PARCEL MAP;
THENCE NORTH 00 05'45" WEST A DISTANCE OF 135.60 FEET TO THE POINT OF
BEGINNING;
THENCE CONTINUING NORTH 00 05'45" WEST A DISTANCE OF 284.74 FEET;
THENCE NORTH 89 53'55" EAST A DISTANCE OF 428.23 FEET;
THENCE SOUTH 00 05'54" WEST A DISTANCE OF 284.76 FEET;
THENCE SOUTH 89 54'06" WEST A DISTANCE OF 428.23 FEET, RETURNING TO
THE POINT OF BEGINNING.
CONTAINING 2.80 ACRES OR 121,939 SQUARE FEET, MORE OR LESS

PREPARED BY:
LYLE E. YENGLIN
PROFESSIONAL LAND SURVEYOR
NEVADA CERTIFICATE NO. 17019
AS AN AGENT FOR BAUGHMAN & TURNER, INC.

BASIS OF BEARING:
NORTH 00 41'22" WEST – THE WEST LINE OF THE NORTHEAST QUARTER
(NE1/4) OF THE NORTHEAST QUARTER (NE1/4) OF SECTION 28, TOWNSHIP 20
SOUTH, RANGE 61 EAST, M.D.M., AS SHOWN ON FILE 87, PAGE 93 OF PARCEL
MAPS, OFFICIAL RECORDS, CLARK COUNTY, NEVADA.

BAUGHMAN & TURNER, INC
1210 HINSON ST.
LAS VEGAS, NEVADA 89102
(702) 870-8771

EXHIBIT "H(2a)"

ALLONGE for Low Income Housing Trust Funds

To be attached to that certain Promissory Note, dated _____ in the original amount of \$250,000 executed by Sarann Knight, LLC, in favor of Community Development Programs Center of Nevada, a Nevada nonprofit corporation.

Pay to the order of City of Las Vegas

Dated: _____

**COMMUNITY DEVELOPMENT
PROGRAMS CENTER OF NEVADA**

BY: _____

RICHARD BLUE, PRESIDENT

EXHIBIT "I"

DISCLOSURE OF PRINCIPALS

The principals and partners of Community Development Programs Center of Nevada, *and all persons and entities holding more than 1% interest in Community Development Programs Center of Nevada*, or any principal of Community Development Programs Center of Nevada, are the following:

FULL NAME	BUSINESS ADDRESS	BUSINESS PHONE
NONE (SEE ATTACHED BOARD OF DIRECTORS)		

I certify under penalty of perjury, that the foregoing list is full and complete.

**COMMUNITY DEVELOPMENT
PROGRAMS CENTER OF NEVADA, A
NEVADA NON PROFIT CORPORATION**

BY: _____

RICHARD B. BLUE JR., PRESIDENT

Subscribed and sworn to before me this
____ day of _____, 2008.

Notary Public