

TABLE 4							
SAMPLE PROJECT COMPLIANCE CHART							
		<b>KEY: Abbreviation: Document</b>	PDC-LA: Second Amended and Restated Loan Agreement, Date, Doc. #	HIF-TD: PDC HIF Line of Credit Trust Deed, Date, Doc. #	SL: Sewer Lien Documentation, Doc. 83		
<b>PROJECT INFORMATION</b>		Lender Multifamily Note	PDC-PN: Second Amended and Restated Promissory Note, Date, Doc. #	PUA1: OHCS Project Use Agreement, Date (Pre-Refinancing Binder, #)	PRJ-PN: Project Name LP Promissory Note, Date (Pre-Refinancing Binder, Part II, Doc. III.1)		
<b>Project Name:</b>	Sample Project	LDT: Lender Multifamily Deed of Trust, Date, Doc. # in bin	PDC-RA: Regulatory Agreement, Date, Doc. #	PUA2: OHCS Project Use Agreement, Date (Pre-Refinancing Binder, #)	PRJ-PA: Project Name Second Amended and Restated Agreement of LP, Date, Doc. 6		
<b>Previous Name: (if applicable)</b>	N/A	LDT: Multifamily Deed of Trust (1st Mortgage), Date (Pre-Refinancing Binder, p.#)	PDC-RCA: Amended and Restated Replacement Cost & Capital Imprvmt. Reserve Agmt., Date, Doc. #	APUA2: Amendent to Contract/Project Use Agreement, Date, Doc.#			
<b>Property Address:</b>	some street some city	LLM: Lender Loan Modification Agreement (1st Mortgage), Date, Doc. #)	PDC-TD: Second Amended and Restated Line of Credit Trust Deed, Date, Doc.#	RA: LIHTC Reservation & Extended Use Agreement, Date (Pre-Refinancing Binder, #)			
<b># of Residential Units:</b>	25	FMM-R: Rider to Multifamily Instrument (1st Mortgage), Date (Pre-Refinancing Binder, Doc. #)	HIF-PN: PDC HIF Loan Promissory Note, Date, Doc. #	RS: Declaration of Lan Use Restrictive Covenatn, Date (Pre-Refinancing Binder, #)			
<b># of Buildings:</b>	4	FMMN-M: 2nd Multifamily Note (1st Mortgage), Date (Pre-Refinancing Binder, Doc. #)	HIF-LA: PDC HIF Loan Agreement, Date, Doc. #	TSA: Tenant Services Agreement between Partnership and Owner, Date, Doc. #			
<b>PAYMENT REQUIREMENTS AND FINANCIAL TERMS</b>							
	<b>First Mortgage Lender</b>	<b>PDC CDBG</b>	<b>OHCS - Housing Trust Fund</b>	<b>LIHTC Allocation</b>	<b>Partnership Agreement</b>	<b>City of Portland, Sewer Loan</b>	<b>GP Loan</b>
<b>Amount</b>	more than \$1 million	A bunch of money	\$xx & \$xx "Grants" (PUA1 & PUA2)	\$xxx,xxx (RA)	\$1,xxx,xxx (equity contribution)	\$xx,xxx as of 03/xx/xx (SL)	\$xxx,xxx (PRJ-PN)
<b>Term</b>	Due in full, December 1, xxxx (LLM, pg. 2, E1)	Loan due in full on or before May 1, xxxx (PDC-PN)	N/A	35 years after Compliance Period = 50 years, Jan. 1, 20xx. (RS, pg. 6)	Partnerhsip shall remain in effect until 12/31/45 (PRJ-PA, pg. 17, Section 2.5)	20 years - First Installment Date 07/22/xx (SL)	Loan due in full on or before December 31, 20xx (PRJ-PN, pg. 1, Section 1)
<b>Payment Terms</b>	Monthly interest and principal payment of \$1x,xxx.xx based on 30 year amortization starting 05/01/2004. (LLM, pg. 2, E2)  Late Charge: 5% of installment, if payment is not received within 10 days of due date.	Annually, starting April 1, 2006 PRJ, LP shall pay 50% of Excess Cash Flow towards the principal balance. PRJ,LP shall provide to PDC an audited financial statement which will be used to determine Excess Cash Flow. (PDC-PN, Section 2)	N/A	N/A	Distribute cash flow by 90 days after the end of each fiscal year, beginning on or before 12/31/11, in the following order: 1. Asset Mgmt. Fee to MMA; 2. PDC debt service; 3. Project Expense Loans; 4. GP Loan debt service; 5. 50% of remaining balance to be used in this order: (i) Supervisory Mgmt. Fee, (ii) GP capital return, and (iii) as a distribution to GP; and 6. 75% of any balance to GP and 25% to Investor Partner. (PRJ-PA, pg. 45, Section 9.5)	Monthly payments of \$387.83 are due the 22nd of each month. (SL)  **Per PDC, agree to increase payment to \$625 per month until paid in full.	Annual payments are to be made on the Note. First payment was due by 12/31/96, or the date that the annual audit of PRJ, LP was completed. All subsequent payments are due on or before the same date for the succeeding years. Principal balance and accrued interest may be paid in part or in full at any time without premium or penalty. In the case of partial principal payment, subsequent interest payments shall be computed on the remaining outstanding principal balance. (PRJ-PN, pg. 1, Sections 1 & 2)
<b>Interest Rate, beginning</b>	8.xx% annually beginning 05/01/2004 (LLM, pg. 2, E2)	0%	N/A	N/A	N/A	5.32% as of 07/22/03 (SL)	1%, beginning 03/01/96 (PRJ-PN)
<b>Other payment conditions</b>	Default Interest Rate, 12.63% (FMMN-M, pg. 1)	Conditions set forth in PDC-LA Section 4.1 must be satisfied in order for the loan to convert from a Construction Loan to a Permanent Loan. (PDC-PN, Section 2)	Funds must be used for purposes stated in the Project Use Agreements (09/15/03 & 12/29/94), or Grants may be called for repayment. (PUA1 & PUA2)	N/A	Sale of Disposed Property: 1. \$100K to MMA by 5/31/06 2. \$100K to Special Purpose Escrow by 5/31/06 (PRJ-LP, pg. 19, Section 3.5)	N/A	N/A
<b>Servicer, Address</b>	Private Bank Address	Portland Development Commission Attn: Lender at Supervisor, Loan Servicing 222 NW 5th Ave. Portland, OR 97209-3859  <i>All Asset Mgmt. correspondence should be sent to PDC Asset Manager.</i>	Oregon Housing and Community Services Dpt. PO Box 14508 Salem, OR 97309	N/A	Limited Partner Address	City of Portland Assessments & Liens Division 1221 SW 4th Ave., Room 130 Portland, OR 97204	Some CDC Some address

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OCCUPANCY REQUIREMENTS							
	First Mortgage Lender	PDC CDBG	OHCS - Housing Trust Fund	LIHTC Allocation	Partnership Agreement	City of Portland, Sewer Loan	GP Loan
Maximum Rents	N/A	<p>13 @ 50% MFI as follows: 5 - 1BR 7 - 2BR 0 - 3BR 1 - 4BR</p> <p>12 @ 60% MFI as follows: 5 - 1BR 7 - 2BR 0 - 3BR 0 - 4BR (PDC-RA, pg. 3)</p>	<p>13 units @ 50% MFI 12 units @ 80% MFI 1 Manager's Unit @ Market (APUA2, pg. 1)</p>	<p>13 units @ 50% MFI 12 units @ 80% MFI 1 Manager's Unit @ Market (APUA2, pg. 1)</p>	At all times remain in compliance with LIHTC regulations and Section 42 of the Internal Revenue Code. (PRJ-PA, pg. 24, (v))	N/A	N/A
Maximum Housing Income, Initial Occupancy	N/A	<p>Qualified Tenants: 13 ≤ 50% MFI 12 ≤ 60% MFI (PDC-RA, pg. 3)</p>	<p>13 units ≤ 50% MFI 12 units ≤ 80% MFI 1 Manager's Unit @ Market (APUA2, pg. 1)</p>	Management personnel must prepare a Certification of Tenant Eligibility (Form F.2 of the LIHTC Compliance Manual)	At all times remain in compliance with LIHTC regulations and Section 42 of the Internal Revenue Code. (PRJ-PA, pg. 24, (v))	N/A	N/A
Maximum Household Income, at Recertification	N/A	<p>Max income is 140% of the income at which such household would qualify as a qualified tenant. PRJ, LP may execute a new lease with those who are no longer qualified and such lease may be at market rate rents, for comparable units, but may not require cash payments of any additional deposits or fees. In no event may a tenant who is no longer qualified be evicted or be required to pay higher rent with less than 60 days written notice. (PDC-RA, pg. 5, Section 3.2)</p>	Silent	<p>All units must be certified annually on or before the anniversary of the move-in date. If the household income of tenants increases above the max. allowable income limits, the unit will still qualify as a low-income unit as long as the tenant initially qualified and the unit remains rent restricted. (LIHTC Compliance Manual, pgs. 13 &amp; 37)</p> <p>See: <a href="http://www.ohcs.oregon.gov/OHCS/HPM_LIHTC_Compliance_Manual.shtml">http://www.ohcs.oregon.gov/OHCS/HPM_LIHTC_Compliance_Manual.shtml</a></p>	At all times remain in compliance with LIHTC regulations and Section 42 of the Internal Revenue Code. (PRJ-PA, pg. 24, (v))	N/A	N/A
Affordability Period	N/A	60 years from the date of Certificate of Occupancy, or the date when any form of public subsidy ceases. (PDC-RA, pg. 3)	<p>50 years from 1/15/93 for \$100,000 Grant 50 years from 12/29/94 for \$50,000 Grant (PUA1, Part II &amp; PUA2, Part II)</p>	35 years past the Compliance Period, or 50 years (Jan. 1, 2044). (RA, pg. 2, 12a)	At all times remain in compliance with LIHTC regulations and Section 42 of the Internal Revenue Code. (PRJ-PA, pg. 24, (v))	N/A	N/A
Lease Provisions (min. lease period offered)	N/A	N/A	Silent	<p>Minimum lease of 6 months (LIHTC Compliance Manual, pg. 37)</p> <p><a href="http://www.ohcs.oregon.gov/OHCS/HPM_LIHTC_Compliance_Manual.shtml">http://www.ohcs.oregon.gov/OHCS/HPM_LIHTC_Compliance_Manual.shtml</a></p>	At all times remain in compliance with LIHTC regulations and Section 42 of the Internal Revenue Code. (PRJ-PA, pg. 24, (v))	N/A	N/A
Other Set Asides	N/A	6 of the 12 ≤ 60% AMI units will be Section 8 Project Based Units (PDC-RA, pg. 3)	N/A	N/A	N/A	N/A	N/A

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TENANT SERVICE REQUIREMENTS							
	First Mortgage Lender	PDC CDBG	OHCS - Housing Trust Fund	LIHTC Allocation	Partnership Agreement	City of Portland, Sewer Loan	GP Loan
<b>Requirement</b>	N/A	N/A	A number of social service agencies agreed to contribute to the project. With cooperation from Hacindea CDC many forms of assistance and social services are in place or anticipated to be in place. See both PUA1 & PUA2, Exhibit A for a list of specific services and service providers.	N/A	Goals: 1. Work with residents to increase calls to 911. 2. Coordinate monthly Tenant Safety Meeting 3. Assist residents in establishing foot patrols and "Apartment Watch" programs. 4. Support on-going youth programs 5. Create after-school youth programs 6. Develop summer youth programs. 7. Develop a quarterly, bi-lingual newsletter for residents. (TSA, Exhibit A)	N/A	N/A
<b>Monitoring</b>	N/A	N/A	If OHCS learns that service programs are not being provided, the Grants may be called for repayment. (PUA1 & PUA 2)	N/A	Term begins upon execution date of Agmt. through 12/31/05. (TSA, pg. 1)	N/A	N/A
INSURANCE REQUIREMENTS							
	First Mortgage Lender	PDC CDBG	OHCS - Housing Trust Fund	LIHTC Allocation	Partnership Agreement	City of Portland, Sewer Loan	GP Loan
<b>Property Insurance</b>	PRJ, LP is required to obtain and maintain a policy against loss by fire and hazards incuded within the term "extended coverage" by a carrier satisfactory to Lender in amounts and for periods required by Lender. Lender has the right to hold the policies. Promptly deliver all copies of renewal and other notices and all receipts for paid premiums to Lender. At least 30 days prior to the expiration date of the policy, PRJ, LP must deliver a renewal policy to Lender. (FMM-DT, pg. 3, 5)	PRJ, LP is required to obtain and maintain property insurance with a standard lender's loss payable clause naming as beneficiary the City of Portland by and through Portland Development Commission in an amount not less than the full replacement value. Policy shall require 30 days prior written notice of cancellation or reduction of coverage. (PDC-TD, pg. 4, Section 2.5)	N/A	N/A	OWN III shall cause the Project to be insured in an amount not less than the minimum amount required by any Lender or Agency, or the full replacement cost of all real and personal property, whichever is greater. Policy to include loss of rents coverage, endorsement covering all property and rental values and a standard building laws endorsement. (PRJ-PA, pgs. 27 & 28, Section 6.4A)	N/A	N/A
<b>Liability Insurance</b>	PRJ, LP is required to obtain and maintain a policy against casualties and liabilities by a carrier satisfactory to Lender in amounts and for periods required by Lender. Lender has the right to hold the policies. Promptly deliver all copies of renewal and other notices and all receipts for paid premiums to Lender. At least 30 days prior to the expiration date of the policy, PRJ, LP must deliver a renewal policy to Lender. (FMM-DT, pg. 3, 5)	PRJ, LP is required to obtain and maintain commercial general liability insurance naming the City of Portland by and through Portland Development Commission, its employees and agents as additional insureds. Policy shall require 30 days prior written notice of cancellation or reduction of coverage. (PDC-TD, pg. 4, Section 2.5)	N/A	N/A	OWN III shall obtain and maintain on behalf of the Partnership commercial general liability insurance for not less than \$1M/occurrence and \$2M in aggregate. Additionally, OWN III shall obtain and maintain excess or umbrella liability insurance in an amount not less than \$5M and is issued in the name of the Partnership. (PRJ-PA, pgs. 27 & 28, Section 6.4A)	N/A	N/A
<b>Other Insurance Coverage</b>	PRJ, LP is required to obtain and maintain rental loss policy by a carrier satisfactory to Lender in amounts and for periods required by Lender. Lender has the right to hold the policies. Promptly deliver all copies of renewal and other notices and all receipts for paid premiums to Lender. At least 30 days prior to the expiration date of the policy, PRJ, LP must deliver a renewal policy to Lender. (FMM-DT, pg. 3, 5)	N/A	N/A	N/A	<i>Workers' Compensation:</i> OWN III must provide worker's comp. coverage and employer's liability insurance in an amount not less than \$1M. (PRJ-PA, pgs. 27 & 28)  <i>Auto:</i> OWN III must provide comprehensive auto insurance, including non-owned automobile liability, for the benefit of the Partnership in an amount not less than \$1M. (PRJ-PA, pgs. 27 & 28, Section 6.4A)  <i>Other:</i> Services must obtain and maintain all insurance requirements set forth in the PRJ:PA Section 6.4A (iv) - (viii), to the extent that OWN III has not arranged for such coverage, and all of the following: 1. General Liability - \$1M/occ. & \$2M agg.; 2. Worker's Comp. coverage for its employees; 3. Fidelity Bond coverage in an amount not less than 6 months of gross rental receipts; 4. Comprehensive Auto Liability in an amount not less than \$1M; and 5. Property Mgr. Professional Errors and Omissions coverage in an amount not less than \$1M (PRJ-PA, pgs. 27 & 28, Section 6.4A)	N/A	N/A

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Other Standards & Requirements	N/A	N/A	N/A	N/A	Insurance rating requirement is A or better. BFITC shall be identified as a named insured and include a provision requiring 30 days prior written notice of cancellation, non-renewal or change in coverage for all of the insurance policies required. OWN III shall provide BFITC with certified copies of all insurance contracts within 30 days of inception and subsequent renewals. (PRJ-PA, pgs. 27 & 28)  GP designated Net Worth = \$50K plus Supervisory Man. Fee. (PRJ-PA, pg. 30, Section 6.5A(ii) & Definitions)	N/A	N/A
REPORTING REQUIREMENTS							
	First Mortgage Lender	PDC CDBG	OHCS - Housing Trust Fund	LIHTC Allocation	Partnership Agreement	City of Portland, Sewer Loan	GP Loan
Financial Reporting & Standards	PRJ, LP is to maintain and make available at the Property, at the Lender's request, complete and accurate books of accounts and records in sufficient detail to correctly reflect the operation of the Property and copies of all written contracts, leases and other instruments which affect the Property. All of the above are subject to examination at any reasonable time by Lender.  Within 120 days after the end of PRJ, LP's fiscal year the following are due: 1. Income & Expense statement of the Property; 2. statement of changes in financial position; and 3. rent roll. Additionally, upon Lender's request: 1. balance sheet and 2. accounting of all security deposits. All of the above must be certified by PRJ, LP and it may also be required that any or all of the above be audited by an independent CPA. (FMM-R, pg. 3, E)	1. All financial statements shall be prepared in accordance with generally accepted accounting principles and practices. (PDC-LA, pg. 15, Section 6.7) 2. PRJ, LP shall provide to Lender periodical financial statements and other reports as requested, including copies of federal and state tax returns. (PDC-LA, pg 23, Section 11.5) 3. Annually on the 1st of the 3rd month after the end of PRJ, LP's fiscal year, performance reports are due including but not limited to copies of all reports filed with OHCS and /or the IRS with respect to the affordable units. Plus, a statement of the Capital Reserve Account, fund disbursements, the uses of those funds and a projection of anticipated and/or planned capital expenditures for the next Fiscal Year. See PDC Asset Management System Manual. (PDC-LA, pg 23, Section 11.5 & PDC-RA, pg. 6, Section 5 & PDC-RCA, pg.5, Section 6) 4. An audited financial statement is due annually no later than the 2nd month after the end of the PRJ, LP fiscal year. (PDC-LA, pg 23, Section 11.5)	N/A	N/A	Annual: 1. Tax returns w/in 45 days after end of fiscal year to Investor Limited Partner and Schedule K-1. Late charges of \$500/day plus interest. See PRJ-PA, pg. 52, Section 11.1, A & B. 2. Annual operating pro forma budget. See PRJ-PA, pg. 54, Section 11.1, G.  Quarterly: Due 45 days following the end of each quarter: 1. balance sheet 2. income statement 3. cash available & reserves 4. Other statements (See PRJ-PA, pg. 53, Section 11.1, E)	N/A	N/A
Reserve Requirements	Silent	Capital: A separate interest bearing account must be established the earlier of the month after the beginning of the Permanent Loan Period, or by 01/31/2005. PDC is to be provided documentation of the Account along with evidence of an additional deposit of \$75,000 on 03/31/05. Annual deposits from operating income of not less than \$350 per unit, escalating at 3% annually, are required. Funds are for capital improvements only, not ordinary, general and routine repairs. Interest earned will remain in the Account. Disbursements are subject to PDC approval. On the 5th anniversary of project completion, PDC has the right to require a physical assessment of the property. Based on the assessment, PDC may require additional funds to be deposited into the Reserve Account. (PDC-LA, pg 24, Section 11.8 & PDC-RCA, pgs. 3-5)	N/A		Operating: OWN III shall maintain an operating reserve account established under the Original Partnership Agmt. Reserve is to be funded with not less than \$90,000 by the sale of the Disposed Property or 03/31/05, whichever is later. Funds may be used by OWN III to fund project expenses during the Compliance Period. (PRJ-PA, pg. 33, Section 6.9)  Lease-Up Reserve: OWN III shall establish a separate Lease-Up Reserve account funded from PDC Loan proceeds. Funds are to cover operating deficits during the period that the Retained Buildings are being renovated. Any unused balance in the Lease-Up Reserve at the conclusion of the "Replacement Project" shall be applied to payment of the Sewer Loan. (PRJ-PA, pg. 33, Section 6.9)  Capital: OWN III shall establish a reserve account with a balance of not less than \$75,000 by the sale of the Disposed Property or 03/31/05. The account shall be supplemented out of net rental income, if available, with deposits of 3,879.17 beginning on 12/01/04. Withdrawals are to fund capital repairs and improvements, but may not be used to fund Renovations	N/A	N/A
Physical Inspections	Lender may make or cause to be made reasonable entries for inspections of the Property. (FMM-DTT, pg. 4, 9)	PDC can inspect the Project with reasonable notice for: (a) assessing cleanliness, safety, habitable conditions; and (b) to inspect Project records. (PDC-LA, pg 23, Section 11.6)	N/A	OHCS has the right to review tenant files on-site and/or to perform physical inspections of the property as deemed necessary. (LIHTC Compliance Manual 2002, pg. 19) See: <a href="http://www.ohcs.oregon.gov/OHCS/HPM_LIHTC_Compliance_Manual.shtml">http://www.ohcs.oregon.gov/OHCS/HPM_LIHTC_Compliance_Manual.shtml</a>	N/A	N/A	N/A

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Tenant Files/Surveys/Record Keeping	Rent roll, including: name of tenant; space occupied, lease expiration date, rent payable for current month, date through which rent has been paid and any other information requested. (FMM-R, pg. 4, E(ii))	Submit to PDC, or its designee, at PDC's request, such reports including but not limited to leasing activity, tenant income verifications, rent charged by unit, fee or deposits charged to any tenant, copies of all leases, rental agreements and notices given to tenants. (PDC-RA, pg. 6, Section 5)	N/A	OWN III is required to keep records for each qualified low-income building. A listing of the specific information required can be found in the OHCS LIHTC Compliance Manual 2002, pg. 6. Records must be retained for 6 years after the due date for filing a federal income tax return for that year. However, records for the first year of the credit period must be retained for the entire compliance period plus 6 additional years.  Tenant Files must include: (1) Lease; (2) Application; (3) Tenant Certification; (4) All Related Verification Forms; and (5) Certification of Assets. (LIHTC Compliance Manual 2002, pg. 19) See: <a href="http://www.ohcs.oregon.gov/OHCS/HPM_LIHTC_Compliance_Manual.shtml">http://www.ohcs.oregon.gov/OHCS/HPM_LIHTC_Compliance_Manual.shtml</a>	N/A	N/A	N/A
Other	Promptly upon receipt, furnish to Lender copies of all complaints alleging any violation against Fair Housing Law. (FMM-R, pg. 4, E(iv))		N/A	Annually, a <i>Certificate of Continuing Project Compliance</i> (Form F.1) is due. Typical due date will fall between 01/31 & 05/01. (LIHTC Compliance Manual 2002, pgs. 7 & 17)  See: <a href="http://www.ohcs.oregon.gov/OHCS/HPM_LIHTC_Compliance_Manual.shtml">http://www.ohcs.oregon.gov/OHCS/HPM_LIHTC_Compliance_Manual.shtml</a>	<i>Special Purpose Escrow: On or before 05/31/06, OWN III shall establish such account in the amount of \$100,000. Account is to be controlled by SLP, Inc. Funds may be released to fund capital repairs and improvements only after utilization of other available funds. (PRJ-PA, pg. 30, J)</i>	N/A	N/A