



December 20, 2021

Nicole Rathbun
Housing and Community Services
City of Santa Rosa
90 Santa Rosa Avenue
Santa Rosa, CA 95404

RE: Resolution No. 1719 – Predevelopment Loan Funds – Bennett Valley Apartments

Dear Ms. Rathbun,

We appreciate the Housing Authority of the City of Santa Rosa's (the "Authority") commitment to Bennett Valley Apartments (the "Project"). Per Resolution No. 1717, the Project was awarded \$5,800,000 for "construction-related costs". Per Resolution No. 1719, the Authority approved the use of the loan funds for "predevelopment and construction related costs including, but not limited to, architecture/engineering and other professional consultants."

As noted in our enclosed letter dated May 27, 2021, it has been difficult to secure low-cost predevelopment financing for the Project given the unsecured nature of such a loan (since we do not currently own the site, we cannot provide the land as collateral). By accessing the Housing Authority funding for predevelopment costs, we would save the Project over \$100,000 in interest costs and, more importantly, we would be able to continue with construction documents to better position ourselves for new funding opportunities as they arise.

Since the land for the Project will remain in City ownership during the predevelopment period (and, therefore, the predevelopment funds cannot be secured by a Deed of Trust), Freebird Development Company, LLC is willing to provide a repayment guaranty for the loan during the predevelopment period, if necessary, assuming commencement and completion dates are extended as requested in our enclosed letter dated November 8, 2021.

We appreciate your consideration of this request and our continued partnership.

Sincerely,

Robin Zimbler

Robin Zimbler
Manager

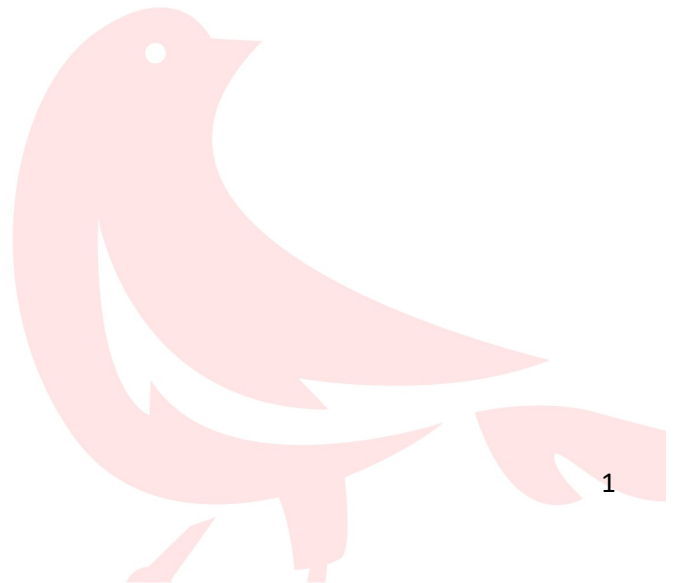
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Oakland, CA 94607

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May 27, 2021

Nicole Rathbun
Housing and Community Services
City of Santa Rosa
90 Santa Rosa Avenue
Santa Rosa, CA 95404

RE: Resolution No. 1717 – Conditional Commitment of Loan Funds – Bennett Valley Apartments

Dear Ms. Rathbun,

We appreciate the Housing Authority of the City of Santa Rosa's commitment to Bennett Valley Apartments (the "Project"). Per Resolution No. 1717, the Project was awarded \$5,800,000 for "construction-related costs". Per our recent discussions, we are requesting the ability to use up to \$2,000,000 of the commitment for predevelopment costs including, but not limited to, architecture/engineering and other professional consultants.

It has been difficult to secure low-cost predevelopment financing for the Project given the unsecured nature of such a loan (since we do not currently own the site, we cannot provide the land as collateral). By accessing the Housing Authority funding for predevelopment costs, we would save the Project over \$100,000 in interest costs and, more importantly, we would be able to expedite the design development and construction document phases to better position ourselves for new funding opportunities as they arise.

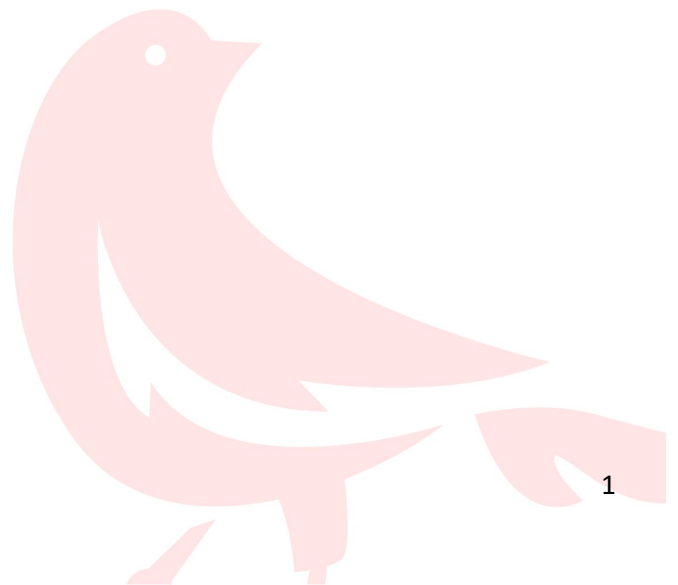
We appreciate your consideration of this request and our continued partnership.

Sincerely,

Robin Zimpler

Robin Zimpler
Manager

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November 8, 2021

Nicole Rathbun
Housing and Community Services
City of Santa Rosa
90 Santa Rosa Avenue
Santa Rosa, CA 95404

RE: Project Commencement and Completion Conditions, Bennett Valley Apartments

Dear Ms. Rathbun,

The Loan Agreement between The Housing Authority of Santa Rosa and Freebird Development Company, LLC for Bennett Valley Apartments notes in Section 12 that the Project shall be commenced no later than January 1, 2023, and completed by June 30, 2024.

With this letter, we are requesting a 6-month extension to July 1, 2023, for commencement and December 31, 2024, for completion. These dates align with the Outside Closing Date in the Disposition and Development Agreement and are better aligned with recent changes to the State's capital funding schedule.

We appreciate your consideration of this request and our continued partnership.

Sincerely,

Robin Zimpler

Robin Zimpler
Manager

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