

SECOND AMENDED PROMISSORY NOTE (“Second Note”)
HOME Program Funds

\$525,000.00

Clark County, Nevada

1. Principal Obligation and Interest.

FOR VALUE RECEIVED, VISTA CREEK APARTMENTS, LLC, a Nevada limited liability company ("Borrower"), promises to pay to Clark County ("County"), or order at Finance Dept. 500 South Grand Central Parkway, Las Vegas, Nevada 89155, or at such other place as the County may designate in writing, in currently available funds of the United States, the principal sum of Five Hundred Twenty-Five Thousand 00/100 Dollars (\$525,000.00), or so much thereof as may be advanced hereunder, together with interest on the unpaid principal balance at three percent (3%) per annum.

The term of the loan shall be as follows: interest shall accrue on the unpaid principal balance at the rate of 3% per annum from the date of Project Completion until the Second Note is paid in full; the principal balance will be deferred until the Loan Maturity Date; with thirty (30) payments of \$15,750.00 and a final payment of \$528,937.50.

Whenever there is a default by Borrower, under this Second Note, the interest rate on the unpaid principal balance shall, at the option of the County, be at the Default Rate set forth below.

2. Payment Terms.

a. As used herein, the following terms having their initial letters capitalized shall have the following meanings:

"Loan Agreement" shall mean that certain THIRD AMENDMENT TO THE AGREEMENT TO LOAN HOME INVESTMENT PARTNERSHIPS ("HOME") AND/OR LOW INCOME HOUSING TRUST FUND ("LIHTF") PROGRAM FUNDS TO VISTA CREEK APARTMENTS, LLC, dated _____, 2025, between County and Borrower.

"Loan Maturity Date" shall mean October 15, 2042.

"Operating Year" shall mean a calendar year following the date of project completion.

"Project Completion." The parties agree that "Project Completion" occurred on June 21, 2011.

"Project" shall have the meaning set forth in the Loan Agreement.

"Default Rate" shall mean 10 percent interest.

b. Commencing on July 15, 2013, and thereafter through July 15, 2042, Borrower shall pay County annual installments of **\$15,750.00**; on the Loan Maturity Date, Borrower shall pay County **\$528,937.50**.

c. Notwithstanding any provision of this Second Note to the contrary, Borrower shall pay County the remaining principal balance owing under this Second Note plus accrued but unpaid interest on the Loan Maturity Date.

d. All payments received hereunder shall be applied first to the payment of accrued interest and the balance applied to principal. Borrower will make payments required hereunder to the County's office indicated in Section 1 above, or at a different place if required by the County and the County shall provide Borrower with written notice of such place.

3. Prepayment Provision.

Borrower shall have the right to prepay all or any part of the principal without penalty. All such prepayments shall be applied first to accrued interest and then to principal payments due hereunder in the inverse order of maturity.

4. Security.

This Second Note is secured by the "Amended County Deed of Trust;" referred to in the Second Amended HOME Agreement.

5. Default and Acceleration.

Subject to the notice and cure provision below, the principal unpaid balance, plus accrued interest, shall, at the option of the County or any holder of this Second Note, become due and payable without demand upon the happening of any one or more of the following events ("Events of Default"):

a. Other than the payment of principal and interest, Borrower's failure to perform any obligation or liability to the County under this Second Note.

b. Borrower's failure to pay two (2) consecutive installments of interest due on this Second Note, or the failure to perform any of the covenants, agreements or conditions of any other agreement related to this Second Note (including, without limitation, the Third Amended HOME Loan Agreement).

c. Borrower and/or any guarantor, or any of them, shall commence a voluntary case or other proceeding making liquidation, reorganization or other relief with respect to itself or its respective debts under any bankruptcy, insolvency or other similar debtor relief law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of them, or any of them, or any substantial part of their property, or shall consent to any such relief or to the appointment or taking possession by any such official in any involuntary case or other proceeding commenced against Borrower.

d. An involuntary case or other proceeding shall be commenced against Borrower seeking liquidation, reorganization or other relief with respect to itself or its respective debts under any bankruptcy, insolvency or other similar debtor relief law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of them, or any of them, or any substantial part of their property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of sixty (60) days.

e. Borrower shall make an assignment for the benefit of creditors, or admit in writing their inability to pay their debts generally as they become due.

f. County's reasonable determination that any representation or warranty made by Borrower to the County is, or was, untrue or materially misleading.

g. Any financial statement provided by Borrower to the County proves false.

h. The filing or commencement of a proceeding against Borrower for dissolution or liquidation or any voluntary or involuntary termination of operation or dissolution of Borrower and such proceeding shall remain undismissed and unstayed for a period of sixty (60) days.

i. The acquisition at any time of title to the whole, or any part of, the property which is security for this Second Note by any person or entity other than Borrower or an affiliate of Borrower without the consent of County, which consent shall not be unreasonably withheld.

In the event that any amount due under this Second Note is reduced to judgment, or if Borrower fails to make any payment provided for in this Second Note when due, or if any of the other Events of Default described above shall occur and such Event of Default is not cured within ten (10) days after written notice is sent to Borrower of such Event of Default if such Event of Default can be cured solely by the payment of money, or if such Event of Default cannot be paid solely by the payment of money, then within a reasonable period (but not to exceed 60 days) after written notice is sent to Borrower of such Event of Default provided that Borrower promptly commences such cure and diligently and continuously prosecutes such cure to completion, the County, or any holder of this Second Note, may, at its option declare the unpaid balance of principal and the accrued unpaid interest due and payable although the time of maturity as expressed herein shall not have arrived.

6. Attorneys' Fees and Costs

Should the indebtedness represented by this Second Note, or any part hereof, be collected at law, in equity, or in any bankruptcy, receivership or other court proceeding, or an attorney be retained by the County for collection, Borrower agrees to pay, in addition to the principal and interest due hereon, all reasonable attorneys' fees, plus all other costs and expenses of collection and enforcement, including any fees incurred in connection with such proceedings or collection of this Second Note and/or enforcement of the County's rights with respect to the administration, supervision, preservation or protection of, or realization upon, any property securing payment hereof, whether or not an action is filed in connection therewith.

7. Miscellaneous

a. The failure of the County to act or to exercise any right or remedy shall not in any way affect or impair the obligations of Borrower to County, or constitute a waiver by the County of, or otherwise affect any of, the County's rights under this Second Note, under any endorsement or guaranty of this Second Note or under any document or instrument evidencing any security for payment of this Second Note.

b. The invalidity or unenforceability of any one or more provisions of this Second Note shall in no way affect the other provisions.

c. Borrower waives presentment, demand for payment, dishonor, notice of dishonor, protest, notice of protest, notice of nonpayment and any other notice or formality and any right of offset.

d. All titles used in this Second Note are intended solely for convenience and reference; said titles shall not affect any terms, provisions, or meanings of this Second Note.

e. No waiver or modification of any of the terms or provisions of this Second Note shall be valid or binding unless set forth in a writing signed by a duly authorized officer of the County, and then only to the extent therein specifically set forth.

f. All rights and remedies provided to the County or the holder of this Second Note shall be cumulative and shall be in addition to all other rights and remedies provided at law or in equity and all such rights and remedies may be exercised singly, successively and/or concurrently.

g. Time is of the essence hereof. Interest not paid when due shall earn interest as principal.

h. The laws of the State of Nevada shall govern the validity, construction, performance and effect of this Second Note.

i. This Second Note is the Note referred to in the Third Amended HOME Loan Agreement and is subject to all the terms and conditions of said Third Amended HOME Loan Agreement.

j. All notices given to or made upon Borrower shall be deemed to have been given or made when deposited in the U.S. Mail and addressed to Borrower at the address indicated below.

8. Notice of Subordination

The indebtedness evidenced by this Second Note is and shall be subordinate in right of payment to the prior payment in full of all amounts then due and payable (including, but not limited to, all amounts due and payable by virtue of any default or acceleration or upon maturity) with respect to the indebtedness evidenced by that certain Multifamily Note (Tax Exempt) in the maximum principal amount of \$13,660,000, made by Borrower payable to Governmental Lender and assigned to Citibank, N.A., a national banking association (“Senior Lender”), and that certain Multifamily Construction (Taxable), in the maximum principal amount of \$8,240,000, made by Borrower payable to the order of Senior Lender, to the extent and in the manner provided in that certain Subordination and Intercreditor Agreement, dated as of March 1, 2025, between Senior Lender and the holder of this Second Note (the “Subordination Agreement”). The rights and remedies of the payee and each subsequent holder of this (Second) Note shall be deemed, by virtue of such holder’s acquisition of this Second Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the “Junior Lender” under the Subordination Agreement.

The deed of trust securing this Second Note is and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing securing the Multifamily Note, and Deed of Trust, Security Agreement, Assignment of Leases and Fixture Filing, securing the Reimbursement Agreement, as more fully set forth in the Subordination Agreement. The rights and remedies of the payee and each subsequent holder of this Second Note under the deed of trust securing this Second Note are subject to the restrictions and limitations set forth in the Subordination Agreement. Each subsequent holder of this Second Note shall be deemed, by virtue of such holder's acquisition of the Second Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the Subordinate Lender under the Subordination Agreement.

[Signature(s) on Following Page(s)]

IN WITNESS WHEREOF, this Second Note has been executed effective the date and place above written.

VISTA CREEK APARTMENTS, LLC,
a Nevada limited liability company, Borrower

By: Vista Creek Partners, LLC
Its: Manager

By: Michael K. Gancar
Its: Manager

Michael K. Gancar

Address: 369 San Miguel Drive, Suite 135
Newport Beach, CA 92660