

THIRD AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT

This Third Amendment to Disposition and Development Agreement (the "Amendment"), is made and entered into as of May 12, 2026, by and between Fontana Housing Authority, a public body, corporate and politic (the "Authority"), the City of Fontana, California, a municipal corporation (the "City"), and Fontana Courtplace I Housing Partners, L.P., a California limited partnership. (the "Partnership"). The Authority, the City, and the Partnership are collectively the "Parties." The Parties have entered into this Amendment with reference to the following:

R E C I T A L S:

A. WHEREAS, the Parties entered into that certain Disposition and Development Agreement dated November 15, 2023 (the "2023 DDA"), as amended by that certain First Amendment to Disposition and Development Agreement dated as February 1, 2025 (the "First Amendment"), as further amended by that certain Second Amendment to Disposition and Development Agreement dated as of August 1, 2025 (the "Second Amendment," and collectively with the 2023 DDA and the First Amendment, the "Original Agreement"); and

B. WHEREAS, the Parties desire to amend the Original Agreement as set forth in this Amendment.

A G R E E M E N T:

1. Original Agreement. Except as amended hereby, the Original Agreement remains unmodified and in full force and effect. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Original Agreement.

2. City Subordinate Loan. The definition of "City Subordinate Loan" in Section 1.1.13 of the 2023 DDA, as amended by the First Amendment and further amended by the Second Amendment, is hereby deleted in its entirety and replaced with the following:

"1.1.13 "City Subordinate Loan" means the loan to be made to the Partnership pursuant to Section 11.5 consisting of Eight Million Seven Hundred Thirty Seven Thousand Six Hundred Ninety Two Dollars and Sixteen Cents (\$8,737,692.16) in gap financing and Two Million Eight Hundred Thousand Dollars (\$2,800,000.00) in acquisition financing."

3. City Loan Amount and Purpose. Section 11.5 of the 2023 DDA, as amended by the First Amendment and the Second Amendment, is hereby deleted in its entirety and is replaced with the following:

"11.5 City Loan Amount and Purpose. Subject to the terms and conditions of this Agreement, City agrees to loan to Partnership, the City Subordinate Loan in the principal amount of Eight Million Seven Hundred Thirty Seven Thousand Six Hundred Ninety Two Dollars and Sixteen Cents (\$8,737,692.16) in gap financing and Two Million Eight Hundred Thousand Dollars (\$2,800,000.00) land loan which City Subordinate Loan shall close (i.e., the City Subordinate Loan Deed of Trust shall record in the Official Records and the undisbursed gap financing portion of the City Subordinate Loan shall, subject to Section 15, be disbursed to the Construction Lender) concurrently with the Construction Loan Closing (the "City Subordinate Loan Closing").

4. City Loan Note, and Deed of Trust. Section 11.6 of the 2023 DDA, as amended by the First Amendment and as further amended by the Second Amendment, is hereby deleted in its entirety and is replaced with the following:

“11.6 City Loan Note, and Deed of Trust.

11.6.1 The City Subordinate Loan shall be evidenced by the City Subordinate Loan Note and shall be secured by the City Subordinate Loan Deed of Trust.

11.6.2 Funding Sources. The City has identified the following funding sources to be applied to this Project:

(A) Federal HOME (FY 2018-23 + PI) Funds: \$2,700,000.00;

(B) Affordable Housing Trust Fund (Development Impact Fees): \$3,337,692.16; and

(C) General Funds: \$2,700,000.00.”

5. Exhibit D; Preliminary Project Budget. The Preliminary Project Budget attached as Exhibit D to the 2023 DDA, as amended by the First Amendment and as further amended by the Second Amendment, is hereby deleted in its entirety and replaced with the budget attached hereto as Schedule 1.

6. Exhibit L; Regulatory Agreement. The Regulatory Agreement attached as Exhibit L to the 2023 DDA, as amended by the Second Amendment, is hereby amended as follows;

(a) Section 8.1.3 – “Affordable Rent for 40% of Median Income Tenants” is hereby reinserted.

(b) Section 8.1.12 – “40% of Median Income Tenants” is hereby reinserted.

(c) Section 8.2.1 is hereby deleted in its entirety and replaced with the following:

“8.2.1 Affordable Unit Mix (City Units). As hereinafter more particularly provided, Developer shall use the Property and the Improvements as multi-family rental housing and ancillary purposes as follows:

A. 5 of the Units shall be leased to families who are 30% of Median Income Tenants at Affordable Rent for 30% of Median Income Tenants, of which 0 of said units shall be a one-bedroom unit, 3 shall be two-bedroom units, and 2 shall be three-bedroom units;

B. 10 of the Units shall be leased to families who are 40% of Median Income Tenants at Affordable Rent for 40% of Median Income Tenants, of which 2 of said units shall be a one-bedroom unit, 6 shall be two-bedroom units, and 2 shall be three-bedroom units;

C. 15 of the Units shall be leased to families who are 50% of Median Income Tenants at Affordable Rent for 50% of Median Income Tenants, of which 3 of said units shall be a one-bedroom unit, 10 shall be two-bedroom units, and 2 shall be three-bedroom units;;

D. 19 of the Units shall be leased to families who are 60% of Median Income Tenants at Affordable Rent for 60% of Median Income Tenants, of which 2 of said units shall be a one-bedroom unit, 10 shall be two-bedroom units, and 7 shall be three-bedroom units; and

E. one manager's unit which shall be a two-bedroom unit.”

7. Applicable Law. This Amendment shall be construed and enforced in accordance with the laws of the State of California.

8. Counterparts. This Amendment may be executed in several counterparts, each of which shall be deemed to be an original copy and all of which together shall constitute one agreement binding on all Parties hereto, notwithstanding that all the Parties shall not have signed the same counterpart.

9. Severability of Provisions. Each provision of this Amendment shall be considered severable, and if for any reason any provision which is not essential to the effectuation of the basic purposes of this Amendment is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Amendment which are valid.

10. Amendment Binding. This Amendment shall be binding upon and inure to the benefit of the heirs, executors, administrators, legal representatives and permitted successors and assigns of the Parties hereto. Except as amended hereby, the Original Agreement remains unchanged and in full force and effect and the Parties hereto hereby ratify and reaffirm the terms of the Original Agreement as amended hereby.

11. Effective Date. This Amendment is dated May 12, 2026, for reference purposes only. This Amendment shall not become effective until the date on which all of the following are true: (a) this Amendment is approved and executed by the appropriate authorities of the Partnership; (b) following all legally required notices and hearings, this Amendment is approved by the City Council and the Authority Board; and (c) this Amendment is executed by the City Manager and the Executive Director.

(signatures begin on following page)

IN WITNESS WHEREOF, the Parties have duly executed this Amendment by their duly authorized signatories effective on or as of the date written at the commencement of this Amendment.

AUTHORITY:

FONTANA HOUSING AUTHORITY,
a public body, corporate and politic

By: _____
Matthew C. Ballantyne, Executive Director

Attest By:

By: _____
Germaine Key, Authority Clerk

CITY

CITY OF FONTANA, CA
a California municipal corporation

By: _____
Matthew C. Ballantyne, City Manager

Attest By:

By: _____
Germaine Key, City Clerk

Approved as to form:

Best, Best & Krieger, LLP

By: _____
Ruben Duran, Esq.
City Attorney

(signatures continue on following page)

PARTNERSHIP

FONTANA COURTPLACE I HOUSING PARTNERS, L.P.,
a California limited partnership

By: Related/Fontana Courtplace I Development Co., LLC,
a California limited liability company,
its administrative general partner

By: _____
Ann Silverberg, Authorized Signatory

By: FFAH V Fontana Courtplace I, LLC,
a California limited liability company,
its managing general partner

By: Foundation for Affordable Housing V, Inc.,
a California nonprofit public benefit corporation,
its managing general partner

By: _____
Melissa Vincent, Vice President

By: LBI Southridge Fontana LLC,
a California limited liability company, its co-general partner

By: LaBarge Industries, LLC,
a Delaware limited liability company,
its sole member

By: _____
Josh LaBarge, President

Schedule 1

Exhibit D – Preliminary Project Budget

(begins on next page)