

**Schoonover Park & Frederick Park
MANAGEMENT AGREEMENT**

THIS MANAGEMENT AGREEMENT (this "Agreement"), made and entered into this 1st day of July 2020, by and between University Corporation at Monterey Bay ("Owner") and Greystar California, Inc., a Delaware corporation ("Manager").

W I T N E S S E T H:

Owner is the lessee of a 1,220-unit apartment project located at California State University Monterey Bay, Monterey County, California (the "Project"). The Project consists of 67 for sale units (referred to herein as "Homeowners"), 687 rental units generally rented to faculty and staff (referred to herein as "Schoonover Park"), and 466 rental units generally rented to students (referred to herein as "Frederick Park").

Pursuant to Owner's lease with California State University, the Project is to house California State, Monterey Bay employees, and individual(s) associated with various educational and institutional partners of the University.

Owner desires to employ Manager in the management and operation of the Project by turning over to Manager the operation, direction, management and supervision of the Project, as outlined below and Manager desires to assume such duties upon the terms and conditions set forth in the Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual promises and covenants herein contained, Owner and Manager agree as follows:

ARTICLE I
Definitions

The following terms shall have the following meanings when used in this Agreement:

1.01. Term. The term of this Agreement shall commence on the date hereof and shall, subject to the provisions hereof terminate on June 30, 2121. The term of this Agreement may be extended for a one-year extension, upon written notification sixty (60) days in advance of the expiration of the original term and/or first extension, by Owner and by acceptance of Manager. Should the term expire without an extension and without any notification of termination, then this agreement shall continue on a month to month basis until such time that either Owner or Manager delivers thirty (30) days written notice of termination to the other party. Notwithstanding the foregoing, the term of this Agreement is subject to early termination caused by the Trustees of the California State University exercising rights reserved in the Owner's lease to use of the Project for civil defense purposes or in the event of an emergency, or to use the Project for the exclusive use of the Trustee to meet the demands of the educational objectives of the University.

1.02.a. Fee. The management fee payable each month by Owner to Manager hereunder shall be an amount equal to two and one quarter percent (2.25%) of the Gross Receipts attributable to Schoonover Park for the management of Schoonover Park for such month, two and one quarter percent (2.25%) of the Gross Receipts attributable to Frederick Park for the management of Frederick Park for such month, and an additional Two Thousand Five Hundred Dollars (\$2,500.00) per month for the management of Homeowners.

1.02.b. Incentive Fee. Manager shall be eligible to earn an Incentive Fee payable each year at the conclusion of the Fiscal Year. The total Incentive Fee payable shall not exceed .75% of Gross Receipts for

that fiscal year. Owner will evaluate Manager's performance based on a written criteria outlined on Exhibit A attached hereto and made a part of before each fiscal year.

1.03. Depository. An FDIC insured bank designated by Owner.

1.04. Working Capital Reserve. \$10,000 to be maintained by Manager during the term hereof, used in connection with the operation of the Project in accordance with the terms hereof and restored per the terms of Sections 4.04 and 4.05 hereof.

1.05. Fiscal/Budget Year. The year beginning July 1 and ending June 30.

1.06. Budget. A composite of (i) an Operations Budget for each of Frederick Park, Schoonover Park and Homeowners, which shall be an estimate of receipts and expenditures for the operation of each of Frederick Park, Schoonover Park and Homeowners during a Fiscal Year, including a schedule of expected apartment rentals (excluding security deposits) for the period in question and a schedule of expected special repairs and maintenance projects, and (ii) a Capital Budget for each of Frederick Park, Schoonover Park and Homeowners, which shall be an estimate of capital replacements, substitutions of and additions to each of Frederick Park, Schoonover Park and Homeowners for a Fiscal Year.

1.07. Gross Receipts. The entire amount of all receipts, determined on a cash basis, from (a) tenant rentals collected pursuant to tenant leases for each month during the term hereof; provided, however, that there shall be excluded from tenant rentals any tenant security deposits (except as provided below); (b) cleaning, tenant security and damage deposits forfeited by tenants in such period; (c) laundry and vending machines income; (d) any and all receipts from the operation of the Project received and relating to the period in question; (e) proceeds from rental interruption insurance (f) any other sums and charges collected in connection with termination of the tenant leases. Gross Receipts do not include the proceeds of (i) any sale, exchange, refinancing, condemnation, or other disposition of all or any part of the Project, (ii) any loans to the Owner whether or not secured by all or any part of the Project, (iii) any capital contributions to the Owner, or (iv) any insurance (other than rental interruption insurance (other than rental interruption insurance) maintained with regard to the Project.

1.08. Project Employees. Those persons employed by Manager to carry out Manager's obligation under this agreement (i.e., manager, assistant managers, leasing agents, maintenance personnel, and other personnel necessary.)

1.09. Actual Project Net Operating Income. Actual Gross Receipts less Operating Expenses.

1.10. Budgeted Net Operating Income. Budgeted Gross Receipts less Operating budgeted Expenses.

1.11. Operating Expenses. The entire amount of all expenses, determined on a cash basis, incurred pursuant to the operation, direction, management and supervision of the Project, including, but not limited to Manager's Project Employees payroll, landscaping, utilities, marketing, maintenance, repairs, re-decorating, administrative costs, insurance, professional services, and management fees. Depreciable capital improvements and debt service payments are not included within Operating Expenses for purposes of this agreement. If approved in the Budget, Manager may purchase equipment necessary for the management of the Project, including but not limited to vehicles, on behalf of Owner. The costs associated with operating this equipment including fuel, maintenance, insurance, and depreciation are to be recognized as an Operating Expense. The Operating Expenses may be allocated to Frederick Park, Schoonover Park and/or Homeowners based on reasonable criteria employed by Manager. Title to all personal property related to the Project shall be held in the name of the Owner.

ARTICLE II
Duties and Rights of Manager

2.01. Appointment of Manager. During the Term of this Agreement, the Manager agrees, for and in consideration of the compensation hereinafter provided, and the Owner hereby grants to Manager the right, to supervise and direct the leasing, management and operation of the Project. Everything performed by Manager under this Agreement shall be done as an independent contractor of Owner. All obligations or expenses incurred hereunder, including the pro rata portion used in connection with or for the benefit of the Project of all purchases of or contracts for sales or services in bulk or volume which Manager may obtain for discount or convenience in connection with its operation of other apartment projects, shall be for the account of, on behalf of, and at the expense of Owner except as otherwise specifically provided; provided, however, Owner shall not be obligated to reimburse Manager for expenses for office equipment or office supplies of Manager (unless incurred solely for the Project), for any overhead expenses of Manager incurred with respect to its general offices, costs relating to accounting services performed hereunder, or for any salaries of employees of Manager not accounted for in the approved Budget and its supporting payroll schedule. Owner shall also have no obligation to reimburse Manager for that portion of the salary of a resident manager, which represents payment for services rendered in respect of apartment projects other than the Project.

2.02. General Operation. Subject to the limitations imposed by the Budget from time to time, Manager shall operate the Project in the same manner as is customary and usual in operation of comparable facilities, and shall provide such services as are customarily provided by operators of apartment projects of comparable class and standing consistent with the Project's facilities.

In addition to the other obligations of Manager set forth herein, Manager shall render the following services and perform the following duties for Owner in a faithful, diligent and efficient manner: (a) maintain businesslike relations with tenants whose service requests shall be received, considered and recorded in systematic fashion in order to show the action taken with respect to each; (b) collect all monthly rentals due from tenants and rent from users or lessees of other non-dwelling facilities in the Project, if any; request, demand, collect, receive and receipt for any and all charges or rents which become due to Owner, and at Owner's expense and direction, coordinate and oversee such legal action as may be necessary or desirable to evict tenants delinquent in payment of monthly rental or other charges (security deposits, late charges, etc.) as more particularly described in Section 2.09 below; (c) prepare or cause to be prepared for execution by the Owner all forms, reports and returns, if any, required to be filed by the Owner under applicable federal, state or local laws and any other requirements relating to the employment of personnel (anything contained herein to the contrary notwithstanding, however, Manager shall not be obligated to prepare any of Owner's state or federal income tax returns); (d) use all reasonable efforts at all times during the term of this Agreement to operate and maintain the Project according to the highest standards achievable consistent with the operation of comparable quality units; (e) sign, renew and cancel tenant leases for the Project as agent for Owner, in compliance with standards established by Owner under the provisions of written apartment leases to bona fide individuals, for monthly rentals and otherwise on terms established by criteria approved from time to time by Owner, based upon Manager's recommendations.

It is understood and agreed, however, that Manager shall not, and does not, provide security services to the Project. Should Owner choose to do so, Owner may separately contract with a company (a "Security Company") providing alarm systems, patrol and similar services ("Security Services"). Manager's sole responsibility in respect of Security Services shall be reasonable cooperation with any Security Company. Manager shall have no duty to supervise, control or initiate performance of Security Services for any Security Company and Owner hereby indemnifies, defends, protects and holds Manager harmless with respect to any loss, liability, cost, expense, (including, without limitation, attorney's fees) damage claim or cause of action arising from any personal injury, loss of property or other matter occurring on or about the

Project, relating to the acts and omissions of a Security Company, the claimed inadequacy of Security Services, or the failure to provide Security Services. The indemnification obligations of Owner in this Section 2.02 shall survive the expiration or earlier termination of this Agreement. Such indemnity shall also include attorneys fees' and reasonable court costs.

2.03. Budget. Manager shall submit for Owner's approval no later than sixty (60) days prior to the beginning of each successive Fiscal Year the Budget for the ensuing Fiscal Year. The Budget shall be approved by Owner thirty (30) days after receipt, and in the event Owner fails to approve or disapprove the Budget within such period, the Budget shall be deemed to be approved. In the event Owner disapproves the Budget, Owner and Manager shall jointly prepare the Budget as soon, as may be reasonably possible. The Budget shall reflect the schedule of monthly rents proposed for the new fiscal year and shall also constitute a major control under which Manager shall operate the Project, and there shall be no substantial deviations therefrom except as permitted by Section 2.06(a). Consequently, no expenses may be incurred or commitments made by Manager in connection with the maintenance and operation of the Project which exceed the amounts allocated to the total expenses for the period in question in the approved Budget without the prior consent of Owner; provided, however, that the foregoing limitation with respect to incurring any expense not covered by the Budget shall not apply to expenses relating to taxes, insurance or utilities or expenditures required due to emergencies which threaten life or property or could result in civil or criminal liability for Owner and/or Manager. Manager makes no guaranty, warranty or representation whatsoever in connection with the accuracy of any Budget, and Owner agrees that they are intended as good faith estimates only.

(b) In the event there shall be a substantial discrepancy between the actual results of operations for any month and the estimated results of operations for such month as set forth in the budget, Manager shall upon request furnish to Owner within twenty (20) days after the expiration of such month a written explanation as to why the discrepancy occurred. If substantial variations have occurred or are anticipated by Manager during the course of any Fiscal Year, Manager, upon Owner's reasonable request, shall prepare and submit to Owner a revised Budget covering the remainder of the Fiscal Year.

2.04. Manager and Other Personnel

(a) Manager shall investigate, hire, train, instruct, pay, promote, discharge and supervise the work of the Project Employees and shall supervise, through the Project Employees, the hiring, promotion, discharge and work of all other operating and service employees of Manager performing services in or about the Project, all in the name of Manager. Manager shall use its best efforts when verifying references, background/criminal checks, credit checks and drug testing when hiring project employees. Reference checks are performed by the Onsite Manager and include two references checks. Background/criminal checks will be performed by Smart Hire or a similar qualified company, that will check for criminal records, driving records and drivers licenses. Credit checks are performed by Smart Hire or similar qualified company for prospective new hires that will be handling money at the Project. Drug testing will be performed by Accu Scan or a similar qualified company, and test for 10 of the most common used drugs. Since some of the Project Employees, all of which have been accounted for in the approved Budget and are listed in the supporting payroll schedule, may need to reside at the Project and be available full time in order to perform properly the duties of his/her employment it is further understood and agreed that the Project Employees (including his/her spouse and dependent children), in addition to their salary and fringe benefits, may receive the normal benefits customarily provided managers, assistant managers, leasing agents, and maintenance personnel of a first-class apartment project, use of all Project facilities and reimbursement for any and all expenses, that are directly related to the day-to-day operations of the Project which such persons may reasonably incur in the performance of their duties, subject, however, to Section 2.02 above.

(b) The Project Employees shall be employees of Manager. Owner shall immediately reimburse Manager each pay period for the total aggregate compensation, including salary and fringe benefits, payable with respect to the Project Employees which have been accounted for in the approved Budget and supporting payroll schedule, any temporary employees residing at the Project and with Owner's approval, the Project's proportionate share of such costs relating to roving maintenance and similar personnel, but only to the extent reflected in the approved Budget. The term "fringe benefits" as used herein shall mean and include the employer's contribution of F.I.C.A., unemployment compensation and other employment taxes, worker's compensation, group life and accident and health insurance premiums, performance bonuses, and disability and other similar benefits paid or payable by the employer with respect to employees in other apartment projects operated by Manager, but only to the extent reflected in the approved Budget.

2.05. Contracts and Supplies. Manager shall, except as provided herein, acting as agent for the Owner and at Owner's expense, and without compensation directly or indirectly to Manager except as expressly set forth herein or agreed to by Owner or Manager, consummate arrangements with concessionaires, licensees, tenants or other intended users of the facilities of the Project, shall, except as provided herein, on Owner's behalf, enter into contracts for the furnishing to the Project of electricity, gas, water, steam, telephone, cleaning, vermin extermination, furnace and air conditioning maintenance, security protection, pest control and any other utilities, services and concessions which are provided in connection with the maintenance and operation of a first-class apartment project in accordance with standards comparable to those prevailing in other first-class apartment projects, and shall place purchase orders for such equipment, tools, appliances, materials and supplies as are necessary to properly maintain the Project.

2.06. Alterations, Repairs and Maintenance.

(a) Manager shall make or install, or cause to be made and installed, or do or cause to be done at Owner's expense and in the name of Owner, all necessary or desirable repairs, interior and exterior cleaning, painting and decorating, plumbing, alterations, replacements, improvements and other normal maintenance and repair work on and to the Project as are customarily made by Manager in the operation of first-class apartment projects; provided, however, that no unbudgeted expenditure in may be made for such purposes without the prior approval of Owner, unless emergency repairs involving manifest danger to life or property are immediately necessary for the preservation of the safety of the Project, or to avoid criminal or civil liability or for the safety of the tenants, or are required to avoid the suspension of any necessary service to the Project, in which event such expenditures may be made by the Manager without prior approval and irrespective of the cost limitations imposed by this Section 2.06, provided, however, that in each such instance, Manager shall, before causing any such emergency repair to be made, use reasonable efforts under the circumstances to notify Owner of that repair.

(b) In accordance with the terms of the approved Budget or upon written demand and/or approval (except in the case of emergency) of Owner, Manager shall, at Owner's expense, from time to time during the term hereof, make all required capital replacements or repairs to the Project. Subject to obtaining Owner's prior written approval in regard to sums necessary to cover costs of such capital replacements or repairs, Manager shall first use any excess funds held pursuant to Section 4.05 and then funds furnished by Owner.

2.07. Licenses and Permits. Manager shall apply for, obtain, and maintain, in the name and at the expense of Owner, all licenses and permits (including deposits and bonds) required of Owner or Manager in connection with the management and operation of the Project. Owner agrees to execute and

deliver any and all applications and other documents and to otherwise cooperate to the fullest extent with manager in applying for, obtaining and maintaining such licenses and permits.

2.08. Compliance with Laws. Manager shall use all reasonable efforts to cause all such acts and things to be done in and about the Project as Owner and/or Manager shall deem necessary, and Owner covenants throughout the term of this Agreement at its expense, to comply with all laws, regulations and requirements of any federal, state or municipal government having jurisdiction respecting the use or manner of use of the Project or the maintenance or operation thereof, and those of any Board of Fire Underwriters or similar agencies. The foregoing shall not be deemed to alter Owner's agreement and understanding that it is solely responsible for Security Services. If Owner instructs Manager not to disclose any matter and such failure to disclose is subsequently determined to be fraudulent or tortuous, Owner shall indemnify Manager (pursuant to Section 6.03 below) with respect to any claim based on such failure to disclose.

2.09. Legal Proceedings. Manager shall institute, in its own name or in the name of Owner, all legal actions or proceedings which Manager deems reasonable to collect charges, rent or other income from the Project related to delinquency and evictions and to dispossess tenants or other persons in possession, or to cancel, terminate, or enforce any lease, license or concession agreement for the breach thereof or default thereunder by the tenant, licensee or concessionaire. In each such instance where expenses related to such action are expected to exceed \$1,000.00, Manager shall, before taking or causing to be taken any such action, use reasonable efforts under the circumstances to notify Owner of the need for this action and obtain Owner's approval. Manager shall promptly notify Owner of any violation, order rule, or determination of any governmental authority or Board of Fire Underwriters or similar agency that affect the Project.

2.10. Debts of Owner. In the performance of its duties as Manager, Manager shall act solely on behalf of Owner in Manager's capacity as independent contractor. All debts and liabilities to third persons incurred by Manager pursuant to this Agreement, in the course of its operation and management of the Project shall be the debts and liabilities of the Owner only, and Manager shall not be liable for (and is hereby indemnified in respect of) any such debts or liabilities, except to the extent Manager has exceeded its authority hereunder. Manager shall have no responsibility to make payments on any indebtedness of Owner secured by the Project or any portion thereof.

ARTICLE III
Management Fees

3.01. Management Fee Owner shall pay to Manager, during term hereof, the Fee for the current month on or before the 15th day of each month. The Fee shall be based on the actual Gross Receipts of the Project for the period from the 10th day of the previous month through the 10th day of the current month. With respect to the Fee due for the last month of the term hereof, the Fee shall be payable on the last day of such month.

3.02. Place of Payment. All sums payable by Owner to Manager hereunder shall be payable to Manager at 2525 East Camelback Road, Suite 500, Phoenix, Arizona, 85016, unless the Manager shall from time to time specify a different address in writing.

ARTICLE IV
Procedure for Handling Receipts and Operating Capital

4.01. Bank Deposits. All monies received by Owner from the Project, or by Manager for or on behalf of Owner shall be deposited by Manager with the Depository into one or more trust accounts in Owner's name, which accounts shall be established with Owner's prior written approval. Manager shall

maintain separate accounts for such funds consistent with the system of accounting of the Project. All funds on deposit shall be held in trust for Owner, subject to the provisions hereof.

4.02. Security Deposits. Manager shall comply with all applicable laws with respect to such security deposits. All security deposit funds held by Manager shall at all times be the property of Owner, subject to all applicable laws with respect thereto.

4.03. Disbursement of Deposits. Manager shall disburse and pay all funds on deposit on behalf of and in the name of Owner in such amounts and at such times as required in connection with the ownership, maintenance and operation of the Project on account of all taxes, assessments and charges of every kind imposed by any governmental authority having jurisdiction over the Project, and all costs and expenses of maintaining, operating and supervising the operation of the Project, in accordance with the approved Budget. Manager shall disburse to Owner available cash on the 10th of each month, for the current month of operations.

4.04. Authorized Signatories. Manager's Designated Broker – Officer and any additional persons from time to time designated by Manager's Designated Broker – Officer shall be authorized signatories on all bank accounts established by Manager hereunder and shall have authority to make disbursements from such accounts. Funds may be withdrawn from all bank accounts established by Manager, in accordance with this Article IV, only upon the signature of an individual who has been granted that authority by Manager. All persons who are authorized signatories or who in any way handle funds for the Project shall be insured in the minimum amount of \$1,500,000.00 with at \$25,000 deductible. Any expense relating to such bonds for on-site employees shall be borne by Owner and for off-site employees, by Manager.

4.05 Repairs and Maintenance. Manager shall make or cause to be made and shall supervise all repairs, replacements, alterations, additions, improvements, decorations and maintenance on the Project (collectively, "Repairs"), including Repairs to any personal property located thereon in which Owner has an ownership or security interest, and shall purchase supplies and equipment for the maintenance and operation of the Project as Manager deems advisable or necessary. Any rebate or discount obtained by Manager for any of the foregoing expenditures shall become the property of Owner. Manager shall not make or incur extraordinary expenditures for any Repairs with respect to the Project without the prior approval of Owner except in those cases where, in the reasonable opinion of Manager, an emergency necessitates so doing before such approval can reasonably be obtained. In such cases, Manager shall report the same to Owner with all reasonable promptness. The term "extraordinary expenditures," as used in this Section 4.05, shall mean expenditures in excess of Five thousand Dollars (\$5,000) for any individual Repair or any group of related Repairs for which provision has not been made in the portion of the Operating Budget applicable thereto.

4.06 Customary Services. Manager shall contract in its own name or the Project name, or upon the written consent of Owner, in the name of Owner, and pay for all services required under the Leases or which are customarily required for the full use and enjoyment of real property such as the Project, taking into account the type of property involved and the area in which the Project is located (hereinafter referred as "Customary Services"). Customary Services shall include, without limitation, such services as parking management, courtesy services, janitorial services, trash collection, sprinkler systems, HVAC maintenance, storage and warehousing services, ground care (including weed abatement and landscaping maintenance), water, gas, electricity and other utility services, and other building and equipment repair services as required by the Project. Manager shall provide that all such contracts shall be assignable to Owner or Owner's designee, shall terminate upon not more than thirty (30) days' notice from Manager, shall require the provider of such Customary Services pursuant to such contract to comply with Owner's insurance requirements and shall not include any

indemnification or other covenants which could expose Owner to liability in excess of that typically incurred by owners of real property such as the Project in order obtain such Customary Services. At Owner's request, Manager shall assign to Owner or Owner's designee Manager's rights under any such contracts, and/or shall terminate any such contracts. Notwithstanding the foregoing, if Owner shall so require, Manager shall obtain competitive bids for any such contracts and, in connection therewith, shall investigate the competency and history of all potential bidders; develop and submit detailed specifications for work to be performed; solicit and obtain such bids; conduct an analysis of bid results; and shall submit all bids to Owner for review, together with Manager's recommendation with respect thereto. Manager shall continually inspect the Project and ensure that all contract specifications are being properly administered, and complete a walk-through of the Project with specific contractors as often as reasonably necessary, but in no event less than monthly.

ARTICLE V Accounting

5.01. Books and Records. On behalf of Owner, Manager shall keep, or shall supervise and direct the keeping, on a cash basis, of a comprehensive system of office records, books and accounts pertaining to each of Frederick Park, Schoonover Park and Homeowners. Such records shall be subject to examination by Owner or its authorized agents, attorneys and accountants at all reasonable hours at the office where such records are maintained, and shall be delivered to Owner promptly (and in any event, within ten (10) days) after the termination of expiration of this Agreement.

5.02. Periodic Statements; Audits.

(a) On or before fifteen (15) days following the end of each calendar month, Manager shall deliver or cause to be delivered to Owner for each of Frederick Park, Schoonover Park and Homeowners (i) an unaudited income and expense statement showing the results of operation of the applicable component of the Project for the preceding calendar month and the Fiscal Year to date; (ii) a comparison of actual income and expenses with the income and expenses projected in the Budget; and (iii) cash balances for reserves and operating accounts as of the last day of such month. Manager shall at its option (i) preserve all invoices for a period of four (4) years, or (ii) at the expiration of each Fiscal Year deliver all invoices to Owner. Such statements and computations shall be prepared from the books of account of each of Frederick Park, Schoonover Park and Homeowners.

(b) Within forty-five (45) days after the end of each Fiscal Year, Manager will deliver or cause to be delivered to the Owner an income and expense statement as of the end of such Fiscal Year, and the results of operation of each of Frederick Park, Schoonover Park and Homeowners during the preceding Fiscal Year.

(c) In the event that Owner or Owner's mortgagee(s) requires an audit, Owner, or Manager at direction of Owner shall arrange and coordinate an annual audit of the Books and Records made by a firm of certificated public accountants approved in advance of Owner. The cost of any such audit shall be for the account of the Owner.

(d) Owner may request and Manager shall provide when available such monthly, quarterly and/or annual leasing and management reports that relate to the operations of Frederick Park, Schoonover Park and/or Homeowners as Manager customarily provides the owners of properties it manages. If any reports are required, other than those contemplated by the preceding sentence, Owner agrees to be liable for all such costs incurred.

5.03. Expenses. All costs and expenses incurred in connection with the preparation of any statements, budgets, schedules, computations and other reports expressly required under this Article V or under any other provisions of this Agreement shall be borne by Manager.

ARTICLE VI
General Covenants of Owner and Manager

6.01. Operating Expenses. Owner shall be solely liable for the costs and expenses of maintaining and operating the Project incurred by Owner or by Manager in accordance with the provisions of this Agreement, and shall pay all such costs and expenses, to the extent contemplated by this Agreement or incurred in accordance with the Budget.

6.02. Owner's Right of Inspection and Review. Owner and its accountants, attorneys and agents shall have the right to enter upon any part of the Project at all reasonable times during the term of this Agreement for the purpose of examining or inspecting the Project or examining or making extracts of books and records of the Project, but any inspection shall be done with as little disruption to the business of the Project as possible and with reasonable notice. Books and records of the Project shall be kept, beginning the date hereof, at the Project or at the location where any central accounting and bookkeeping services are performed by Manager but at all times shall be the property of Owner.

6.03 Indemnification and Hold Harmless By Owner. Except for the gross negligence or willful misconduct of Manager, Owner shall indemnify, hold harmless and defend Manager (and Manager's partners, directors, shareholders, officer, employees and agents), with counsel reasonably satisfactory to Manager, from and against any and all liabilities, claims, causes of action, losses, demands and expenses whatsoever including, but not limited to attorney's fees, paralegal expenses and costs arising out of or in connection with the ownership, maintenance or operation of the Project or this Agreement (collectively "Claims"), including but not limited to Claims involving to the operation and maintenance of the security alarm system located at the Project, matters in which Manager is acting under the express or implied directions of Owner, and the loss of use of property following and resulting from damage or destruction. Owner's Liability Insurance (as defined in Section 8.01 below) will be required to cover all actions of Manager where the Owner's insurer agrees to provide Owner and/or Manager a defense (whether or not such defense is provided with a reservation of rights by the insurer) in accordance with the terms of such insurance policy. The indemnification by Owner contained in this Section 6.03 is in addition to any other indemnification obligations of Owner contained in this Agreement.

Indemnification By Manager. Manager shall indemnify Owner from and against any and all Claims which arise out of or are a result of the gross negligence or willful misconduct of Manager. Manager shall have no obligation to furnish Owner with separate counsel to defend any Claims which may be asserted or made against Owner, regardless of the nature of the allegations. Manager shall hold harmless, defend and indemnify the State of California, the Trustees of The California State University, California State University, California State University Monterey Bay, University Corporation at Monterey Bay and their employees, officers, directors, volunteers and agents (collectively "University") from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Manager's performance of work hereunder or its failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the University Corporation.

Survival of Indemnity Obligations. The indemnification and hold harmless obligations of the parties in this Section 6.03 shall survive the expiration or earlier termination of this Agreement.

6.04. Covenants Concerning Payment of Operating Expenses. Owner covenants to pay all sums for operating expenses in excess of Gross Receipts required to operate the Project upon written notice and demand from Manager within ten (10) days after receipt of written notice. Owner further recognizes that the Project may be operated in conjunction with other projects and that costs may be allocated or shared between such projects on a more efficient and less expensive method of operation. In such regard, the allocation of costs and/or the sharing of any expenses in an effort to save costs and operate the Project in a more efficient manner.

ARTICLE VII Defaults; Termination Rights

7.01. Default by Manager. Manager shall be deemed to be in breach hereunder in the event Manager shall fail to keep, observe or perform any covenant, agreement, term or provision of this Agreement to be kept, observed or performed by Manager, and such breach shall continue for a period of thirty (30) days after notice thereof by Owner to Manager, or if such breach cannot be cured within thirty (30) days, then such additional period as shall be reasonable provided Manager is capable of curing same and is diligently proceeding to cure such breach, provided that such breach is a failure to pay money, such, cure period shall be five (5) days after notice from Owner with no additional period thereafter.

7.02. Remedies of Owner. Upon the occurrence of an event of a breach by Manager as specified in Section 7.01 hereof, Owner shall be entitled to immediately terminate this Agreement and Owner shall have the right to pursue any other remedy it may have at law or in equity, it being expressly understood that following such a termination, Owner shall have no further obligation to pay any Fee due hereunder, except such Fee as was earned by Manager pursuant to this Agreement prior to termination of the Agreement, however, notwithstanding such termination, Manager shall not be relieved of any liability arising as a result of Manager's default and the resulting termination of this Agreement.

7.03. Defaults by Owner. Owner shall be deemed to be in breach hereunder in the event Owner shall fail to keep, observe or perform any covenant, agreement, term or provision of this Agreement to be kept, observed or performed by Owner, and such breach shall continue for a period of thirty (30) days after notice thereof by Manager to Owner, or if such breach cannot be cured within thirty (30) days, then such additional period as shall be reasonable provided Owner is capable of curing same and is diligently proceeding to cure such breach, provided that such breach is a failure to pay money, such cure period shall be five (5) days after notice from Manager with no additional period thereafter.

7.04 Remedies of Manager. Upon the occurrence of a breach by Owner as specified in Section 7.03 hereof, Manager shall be entitled to immediately terminate this Agreement and upon any such termination by Manager pursuant to this Section 7.04, Manager shall have the right to pursue any other remedy it may have at law or in equity, except that Owner shall continue to be obligated to pay and perform all of its obligations which have accrued as of the date of termination.

7.05 Expiration of Term. Upon the expiration of the Term hereof pursuant to Section 1.01 hereof, or the earlier termination hereof pursuant to any of Section 7.02, 7.04, 9.09 and 9.12, Manager shall deliver to Owner all funds, including tenant security deposits, books and records of Owner then in possession or control of Manager, save and except such sums are then due and owing to Manager hereunder. Within sixty (60) days following expiration or termination, Manager shall deliver to Owner a final accounting, in writing, with respect to the operations of the Project. This provision shall survive the expiration or earlier termination of this Management Agreement.

ARTICLE VIII

Insurance

8.01 Owner's Liability Insurance. During the term of this Agreement and all renewals thereof, Owner, at Owner's expense, shall carry and maintain primary commercial general liability insurance on an "occurrence" basis, naming Manager as an additional insured, with limits of not less than Five Million Dollars (\$5,000,000.00) per occurrence (the "Owner's Liability Insurance").

If the Owner's Liability Insurance has a deductible, or similar clause, Owner shall be responsible for paying any losses that are not covered by the Owner's Liability Insurance because of said deductible or similar clause.

8.02. Insurance Carried by Manager. Manager shall maintain, at its sole cost and expense, the following insurance during the term of this Agreement, as approved by Owner:

(a) Workers' Compensation Insurance complying with the laws of the State in which the work is to be performed;

(b) Employers' Liability Insurance with minimum liability limits of \$5,000,000 Bodily Injury by Accident per accident, \$5,000,000 Bodily Injury by Disease per person and \$5,000,000 Bodily Injury by Disease policy limit;

(c) Commercial General Liability Insurance with minimum limits of \$5,000,000 Combined Single Limited for Bodily Injury and Property Damage each occurrence/\$4,000,000 General Aggregate; and

(d) Automobile Liability Insurance covering owned, non-owned and hired automobile equipment with minimum limited of \$1,000,000 for injury or death of any one person, for any occurrence and property damage.

Insurers providing the foregoing coverage shall have a Best's rating of AXII or better. Owner reserves the right to approve the insurer form and content of Manager's insurance policies. All policies will contain severability of interest provisions. Manager will provide Owner with Certificate of Insurance evidencing such insurance and naming Owner and its members as additional insureds, and, upon Owner's request, with proof of payment of the premiums therefor. Such policies and certificates will be endorsed to provide thirty (30) days prior written notice to Owner of any material change in coverage or cancellation of coverage.

8.03. Owner's Liability Insurance shall be Primary. In connection with claims by third parties, as between Owner's Liability Insurance and Manager's Liability Insurance, Owner's Liability Insurance shall be considered the primary coverage. No claim shall be made by Owner or its insurance company under or with respect to any insurance maintained by Manager except in the event that Owner's Liability Insurance is exhausted or in the event such claim is caused solely by gross negligence (except actions or policies specifically approved or required by Owner) or willful misconduct (except actions or policies specifically approved or required by Owner) on the part of Manager or Manager's employees. The Owner shall have its insurance carrier accept and endorse these coverage requirements.

8.04. Waiver of Subrogation. Each insurance policy maintained by Owner or by Manager with respect to the Project shall contain a waiver of subrogation clause, so that no insurer shall have any claim over or against Owner or Manager, as the case may be, by way of subrogation or otherwise, with respect to any claims that are insured under such policy. All insurance relating to the Project shall be only for the benefit of the party securing said insurance and all others named as insureds.

Owner and Manager hereby release each other from all rights of recovery under or through subrogation or otherwise for any and all losses and damages to the extent of such insurance coverage and agree that no insurer shall have a right to recover any amounts paid with respect to any claim against Owner or Manager by subrogation, assignment or otherwise.

8.05. Handling Claims. Manager shall report to Owner promptly all accidents and claims of which it is aware for damage and injury relating to the ownership, operation, and maintenance of the Project and any damage or destruction to the Project coming to the attention of Manager. Manager shall not settle on Owner's behalf any claims with Owner's insurers.

8.06. Workers' Compensation Insurance. Manager shall cause to be placed and kept in force worker's compensation insurance in compliance with all applicable federal, state and local laws and regulations covering all employees of Manager which are accounted for in the approved Budget and supporting payroll schedule and Manager shall furnish Owner certificates of same.

8.07. Dishonesty Insurance. Manager, at its expense which is not reimbursable, shall furnish employee dishonesty insurance with limits of at least \$1,500,000 per loss and in an amount sufficient to cover all employees (whether on-site or off-site) employed by Manager who shall be responsible for handling any moneys belonging to Owner that come under custody or control of Manager.

8.08. Environmental Indemnification. Owner agrees to defend, indemnify, and hold harmless Manager and its partners, officers, employees and agents, against and from any and all actions, administrative proceedings, causes of action, charges, claims, commissions, costs, damages, decreed, demands, duties, expenses, fees, fines, judgments, liabilities, losses, obligations, orders, penalties, recourses, remedies, responsibilities, rights, suits and undertakings of every nature and kind whatsoever, including, but not limited to, attorneys' fees and litigation expenses, from the presence of Hazardous Substances (as defined below) on, under or about the Project, except to the extent that the Hazardous Substances are present as a result of gross negligence, criminal activity, or any willful misconduct of Manager or its employees. Without limiting the generality of the foregoing, the indemnification provided by this paragraph specifically shall cover costs incurred in connection with any investigation of site conditions or any remediation, removal or restoration work required by any federal, state or local governmental agency because of the presence of Hazardous Substances in, on, under or about the Project, except to the extent that the Hazardous Substances are present as a result of gross negligence, criminal activity, or any willful misconduct of Manager or its employees. For purposes of this section, "Hazardous Substances" shall mean all substances defined as hazardous materials, hazardous wastes, hazardous substances, or extremely hazardous waste under any federal, state, or local law or regulation.

ARTICLE IX

Miscellaneous Provisions

9.01. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of California.

9.02. Notices. Any notice or communication hereunder must be in writing, and may be given either by personal delivery or by private courier with an acknowledged receipt or by registered or certified mail, and if given by registered or certified mail, the notice shall be deemed to have been given and received when a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail; and if given otherwise than by registered mail, it shall be deemed to have been given when delivered to and received by the party to whom it is addressed. Such notices or communications shall be given to the parties hereto at the addresses set forth opposite the names of the respective parties on the signature page hereof. Any party hereto may at any time by giving

ten (10) days' written notice to the other party hereto designate any other address in substitution of the foregoing address to which such notice or communication shall be given.

9.03. Severability. If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or such other documents, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement or such other documents shall be valid and shall be enforced to the fullest extent permitted by law.

9.04. No Joint Venture or Partnership. Owner and Manager hereby agree that nothing contained herein or in any document executed in connection herewith shall be construed as making Manager and Owner joint ventures or partners.

9.05. Modification; Termination. This Agreement terminates any and all prior management agreements between Owner and Manager, relating to the Project, and any amendment, modification, termination or release hereof may be effected only by a written instrument executed by Manager and Owner.

9.06. Attorneys' Fees. Should either party employ an attorney or attorneys to enforce any of the provisions hereof or to protect its interest in any manner arising under this Agreement, or to recover damages for the breach of this Agreement, the non-prevailing party in any action (the finality of which is not legally contested) agrees to pay to the prevailing party all reasonable costs, damages and expenses, including attorneys' and experts' fees, and costs expended or incurred in connection therewith.

9.07. Total Agreement. This Agreement is a total and complete integration of any and all undertakings existing between Manager and Owner and supersedes any prior oral or written agreements, promises or representations between them.

9.08. Approvals and Consents. If any provision hereof requires the approval or consent of Owner or Manager to any act or omission, such approval or consent shall not be unreasonably withheld or delayed.

9.09. Casualty. In the event that the Project, or any portion thereof, is substantially damaged or destroyed by fire, tornado, windstorm, flood or other casualty during the term of this Agreement, Manager or Owner may terminate this Agreement upon giving the other party written notice of termination on or before the date which is thirty (30) days after the date of such casualty. In the event of termination pursuant to this Section 9.09, neither party hereto shall have any further liability hereunder, except to the extent accrued prior to such termination.

9.10. Competitive Projects. Manager may, individually or with others, engage or possess an interest in any other projects and ventures of every nature and description, including, but not limited to, the ownership, financing, leasing, operation, management, brokerage, development and sale of real property and apartment projects other than the Project, whether or not such other ventures or projects are competitive with the Project, and Owner shall not have any right to the income or profits derived therefrom; provided, however, that Manager agrees that in its management of ventures or projects which are competitive with the Project, Manager will exercise good faith towards and deal fairly with Owner and the Project.

9.11. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their permitted successors and assigns. Manager may assign this Agreement only upon obtaining Owner's prior written consent.

9.12. Termination. The term of this Agreement shall be for a period of one year, and shall be automatically renewed for successive periods of one year each unless either party provides thirty (30) days' notification of its intent not to renew. Either party may terminate this Agreement at any time with or without cause by giving the other party at least thirty (30) days prior notice in writing.

9.13. Confidentiality. Manager agrees that information provided to it about the Project's residents, including such information as social security number, is to be kept confidential. Manager will not release this information to anyone except the Owner, or its designated agents, other than parties who need it in order for Manager to carryout its obligations under this agreement without written authorization from the individual parties.

IN WITNESS WHEREOF, the parties hereto have executed this Management Agreement as of the day and year first above written.

ADDRESS

University Corporation at Monterey Bay
100 Campus Center
Seaside, CA 93955-8001

OWNER

University Corporation at Monterey Bay

By: 
Starr Lee D2BE337D4937455...
Associate Executive Director

ADDRESS

Greystar
2525 E. Camelback Road, Suite 500
Phoenix, Arizona 85016

MANAGER

Greystar California, Inc.

By: 
Gerard Stephen Donohue, Jr.
Vice President
Designated Broker – Officer
DRE License # 01265072

Exhibit A

Exhibit A continues on the immediately succeeding page.