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October 19, 2009

VIA EMAIL

Sharon Anderson, Esq.
Chief Assistant County Counsel
Contra Costa County
County Administration Bldg.
651 Pine St., 9th Floor
Martinez, CA 94553

Re: Joint Representation and Potential Conflicts of Interest
in the Provision of Legal Services to the County

Dear Sharon:

This letter requests the consent of the County of Contra Costa (the "County") to legal representation by Goldfarb & Lipman LLP on various projects in which our law firm will provide joint representation to the County and a nonprofit developer or public agency or in which Goldfarb & Lipman will represent the County in a situation in which our firm has an attorney/client relationship with a nonprofit developer or public agency on another transaction.

Because of the specific nature of our work for the County on affordable housing and redevelopment projects, and because Goldfarb & Lipman's concentration of work is in affordable housing and redevelopment, it is fairly common for us, with the informed consent of all involved, to have attorney/client relationships with more than one party on complicated redevelopment or housing transactions. We have successfully represented the County for over 25 years, including numerous instances in which we may also have represented a local city or redevelopment agency or nonprofit housing developer. We greatly value our relationship with the County, and hope to continue working together for many years to come.

Facsimile

510 836-1035

San Francisco

415 788-6336

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213 627-6336

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Goldfarb & Lipman LLP

For your convenience, I have described in Part A below the upcoming transactions for which we are requesting County consent to joint representation. Part B lists projects where we are disclosing attorney/client relationships on other matters.

This letter supplements our letters sent in August of 2003, August of 2004, February of 2006, and March of 2008 requesting County consent to joint representation on other projects, some of which have been completed and some of which are ongoing.

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A. Proposed Joint Representation - Neighborhood Stabilization Program ("NSP").

The County has requested our assistance in the preparation of legal documents and closing loans under the Neighborhood Stabilization Program created by the U.S. Congress under the Housing and Economic Recovery Act of 2008 and the American Recovery and Reinvestment Act of 2009 ("NSP"). We have also been requested to work on NSP-funded activities by Community Housing Development Corporation of North Richmond ("CHDC"), the City of Antioch ("Antioch"), the City of Pittsburg ("Pittsburg") and the City of Richmond ("Richmond"), some of which will be conducted jointly between the County, Antioch, Pittsburg and Richmond as members of a consortium that has applied to the United States Department of Housing and Urban Development for NSP funds under the American Reinvestment and Recovery Act of 2009. The County, Antioch, Richmond, CHDC and possibly Pittsburg, have requested that Goldfarb & Lipman provide joint representation to these entities in their NSP activities.

The basic effect of joint representation in this context is that Goldfarb & Lipman will review, negotiate and prepare many of the County's documents required for the NSP activities, as well as documents requested by Richmond, Antioch, CHDC and possibly Pittsburg for their NSP activities. The parties have also requested that we prepare model legal documents for all parties to use in NSP implementation work, which includes loans to housing developers to acquire, rehabilitate, and sell foreclosed homes, and loans to low and moderate income homeowners to acquire foreclosed homes that have been rehabilitated with NSP funds. It will be our goal to negotiate and prepare documents for the County, Antioch, Richmond and possibly Pittsburg which will be mutually beneficial to the County, CHDC, Antioch, Richmond and Pittsburg. The consequence of such joint representation is that there is likely to be a balancing of interests between the County, CHDC, Antioch, Richmond and Pittsburg.

Please note that it is Goldfarb & Lipman's policy that different attorneys in the firm will work with the different clients in a joint representation situation; no one attorney will work with both represented entities on the same project. However, as attorneys, we are governed by specific rules relating to our representation of clients where we have a financial relationship with more than one party in connection with the same matter. According to Rules 3-310(A), (B), (C), and (E) of the Rules of Professional Conduct of the State Bar of California, we are obligated to disclose certain information and obtain the written consent of both clients in order to represent both clients.

At this point, we feel that we can competently represent the County and the other parties listed above. There are, however, some consequences of joint representation that the County should consider, and for which the advice of independent legal counsel should be sought.

Goldfarb & Lipman cannot maintain any secrets between the County, CHDC, Antioch, Richmond and Pittsburg in connection with the NSP transactions. In other words, anything disclosed by the County, CHDC, Antioch, Richmond and Pittsburg to Goldfarb & Lipman that is relevant and material to the NSP Transactions must be disclosed to the other party. Thus, if you

do not wish something relevant and material disclosed to the other party, you should not disclose it to us.

Additionally, in fulfilling our obligations to provide competent legal services, we may have to disclose to all parties any information that we have obtained from any party in this transaction or any other transaction which may be relevant or material to this joint representation. At this point, we are unaware of any information that would require such disclosure. If we later become aware of any such information, we must once again obtain your written consent before we may disclose such information.

If any actual adverse interest develops among the County, Richmond, Antioch, CHDC or Pittsburg, then we will have to determine whether we can continue our representation. If we decide that the interests are too divergent and that we can no longer provide competent legal representation to each of the respective interests, then we will have to withdraw from representing any party in connection with the NSP Transaction at issue.

Also, with joint representation, the County and the jointly represented client waives the attorney-client privilege. This means that in the event of litigation between the County and another client in connection with a particular transaction, Goldfarb & Lipman could be compelled to testify against a party and cannot maintain confidentiality of information among the County and the other represented parties. Each of the parties would, however, maintain the attorney-client privilege against other parties we are not representing. In the event of such litigation, Goldfarb & Lipman would not represent any party on the litigation.

B. Acknowledgement and Consent of Relationship with Other Parties to a Transaction

There are several other pending transactions in the County where we are not requesting approval of joint representation, but instead we wish to disclose to the County that Goldfarb & Lipman has a client relationship with one of the parties on an unrelated matter. These transactions are described in this Part B.

1. Riverhouse Project, Martinez. The County is intending to renegotiate terms of an existing loan to Riverhouse Associates L.P., where Eden Housing is the managing general partner. While Goldfarb & Lipman has not been requested to work on this project for Eden, we do represent Eden from time to time on other projects; consequently we wish to disclose to the County our relationship with Eden. We are requesting County acknowledgment of this relationship and waiver of any potential conflicts of interest.

2. Berrellesa Palms Senior Housing, Martinez. The County is intending to provide funding for this senior affordable housing project, to be constructed by Resources for Community Development ("RCD"). While Goldfarb & Lipman has not been requested to work on this project for RCD, we do represent RCD on other projects outside of Contra Costa County; consequently, we wish to disclose to the County our relationship with RCD. We are requesting County acknowledgment of this relationship and waiver of any potential conflicts of interest.

3. Valley Vista Senior Housing, San Ramon. The County has requested our services in connection with this 202 senior housing project to be jointly developed by American Baptist Homes of the West ("ABHOW"). ABHOW has a contract with Satellite Housing, Inc. ("Satellite") to develop the project. While Goldfarb & Lipman has not been requested to work on this project for ABHOW or Satellite; we do represent ABHOW and Satellite on other projects outside of Contra Costa County; consequently we wish to disclose to the County our relationship with ABHOW and Satellite. We are requesting County acknowledgment of this relationship and waiver of any potential conflicts of interest.

4. Tice Oaks, Walnut Creek. We have represented the County in connection with County funding of acquisition and rehabilitation on this affordable housing project owned by Mid-Peninsula Housing Coalition ("MPHC"). Goldfarb & Lipman has not worked on this project on behalf of MPHC; however, we have recently been requested to represent MPHC on several projects in other counties. Consequently we wish to disclose to the County our relationship with MPHC. We are requesting County acknowledgment of this relationship and waiver of any potential conflicts of interest.

5. Neighborhood Stabilization Program. As described in Part A, the County has requested our assistance in connection with NSP activities conducted by the County. The City of Walnut Creek ("Walnut Creek"), BRIDGE Housing Corporation ("BRIDGE"), and Habitat for Humanity, East Bay ("Habitat") will also be involved in some of the NSP transactions on which we are representing the County. While Goldfarb & Lipman has not been requested to work on these NSP transactions for the City of Walnut Creek, BRIDGE, or Habitat (and Pittsburg may or may not ask us to represent it on NSP transactions involving the County), we do represent each of these entities in other transactions; consequently we wish to disclose to the County our relationship with Pittsburg, Walnut Creek, BRIDGE and Habitat. We are requesting County acknowledgment of this relationship and waiver of any potential conflicts of interest.

The interests of the County and the public agencies or nonprofit housing developers listed above in Part B of this letter, with respect to the projects listed above, are adverse; thus, there is a potential conflict of interest for Goldfarb & Lipman. At this point, we feel that we can competently represent the County since we are not representing the nonprofit developers or public agencies on these transactions and have no special information from them concerning these transactions. However, if an actual conflict between the County and a nonprofit developer or public agency should arise related to a specific project, and if the issue of dispute is substantially related to the same issue on which we have represented the nonprofit developer or public agency in another transaction, then we would require the additional written consent of the County and the nonprofit developer or public agency before we could continue to represent the County. In addition, if we concluded that we could not competently or adequately represent the County's interests in that situation; we would be obliged to withdraw as counsel for the County. If the County were to become engaged in litigation with any of these entities in connection with the NSP work, we would not represent either party in the litigation.

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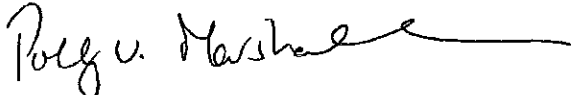
Sharon Anderson, Esq.
October 19, 2009
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You should thoroughly review and consider the matters discussed in this letter, and perhaps seek independent counsel before providing your consent. If, after such review, you are willing to consent to Goldfarb & Lipman's representation of the County in connection with the transactions listed in Parts A and B of this letter above, please sign and return to us the enclosed copy of this letter acknowledging that the County:

1. Have been advised of Rules 3-310 (A), (B), (C), and (E) with respect to the joint representation of the respective interests described in Part A of this letter, and of the consequences of joint representation, and agree to joint representation in connection with the matters discussed in Part A above; and
2. Have been advised that potential conflicts of interest exist in the matters described in Part B of this letter and has been informed of the possible consequences of these conflicts, and consent to Goldfarb & Lipman's representation of the County in connection with these matters.

If you have any questions regarding this letter, please call me before signing and returning the enclosed copy of this letter.

Sincerely,



POLLY V. MARSHALL

cc: Kara Douglas – Contra Costa County (via U.S. Mail)