

goldfarb
lipman
attorneys

1300 Clay Street, Eleventh Floor
Oakland, California 94612
510 836-6336

M David Kroot December 5, 2011

John T. Nagle

Polly V. Marshall

Lynn Hutchins

Karen M. Tiedemann

Thomas H. Webber

John T. Haygood

Dianne Jackson McLean

Michelle D. Brewer

Jennifer K. Bell

Robert C. Mills

Isabel L. Brown

James T. Diamond, Jr.

Margaret F. Jung

Heather J. Gould

Juliet E. Cox

William F. DiCamillo

Amy DeVaudreuil

Barbara E. Kautz

Erica Williams Orcharton

Luis A. Rodriguez

Xochitl Carrion

Rafael Yaquian

Josh Mukhopadhyay

Vincent L. Brown

Sharon Anderson, County Counsel
Contra Costa County
651 Pine Street, 9th Floor
Martinez, CA 94553

Susan Friedland, Executive Director
Affordable Housing Associates
1250 Addison Street, Suite G
Berkeley, CA 94702

Re: Joint Representation and Potential Conflict of Interest
Robin Lane Apartments

Dear Ms. Anderson and Ms. Friedland:

We are writing this letter in response to your request that Goldfarb & Lipman LLP ("Goldfarb & Lipman") jointly represent County of Contra Costa ("County") and Affordable Housing Associates ("AHA") in connection with the County's loan of NSP funds to AHA for the development of a 16 unit affordable housing project on property located at 1149 Meadow Lane and 1890 Robin Lane in Concord (the "Development").

The primary purpose of this letter is to advise you of a potential conflict of interest of Goldfarb & Lipman in the proposed representation and to request the County's and AHA's informed written consent to such potential conflict of interest and to the joint representation of the County and AHA in the Development. Although different Goldfarb & Lipman attorneys will be representing the County and AHA in the Development, such representation is still considered joint-representation.

Specifically, the County has requested our assistance in drafting documents evidencing the loan of NSP funds for the development. Isabel Brown and Polly Marshall will be the attorneys working with the County. AHA has requested our representation in the Development. Karen Tiedemann will be the attorney working with AHA.

I. Rules of Professional Conduct

As attorneys, we are governed by specific rules relating to joint representation of clients when we are representing more than one party in a transaction. According to the Rules 3-310(A), (B), (C), and (E) of the Rules of Professional Conduct of the State Bar of California, we must disclose certain information, and obtain the written consent of the County and AHA in order to represent both clients.

II. Joint Representation

As discussed above, the County's and AHA's consents are being requested because of the potential conflict of interest which may arise due to Goldfarb & Lipman's existing

Facsimile

510 836-1035

San Francisco

415 788-6336

Los Angeles

213 627-6336

San Diego

619 239-6336

Goldfarb & Lipman LLP

relationships with the County and AHA, and the joint representation of each of you in the Development.

A. Existing Relationships

The County is an existing client. We represent the County on numerous housing loan transactions throughout the County.

AHA is also an existing client. We represent AHA in many development transactions and in various corporate activities.

The existing relationships that Goldfarb & Lipman have with each of you could create a potential conflict of interest as discussed below.

B. Consequences of Joint Representation

As you are aware, the interests and objectives of each of you on certain issues related to the Development/Transaction are, or may become inconsistent with one another. Therefore, it is important that you thorough understand the consequences of joint representation.

In representing both of you in this Development, Goldfarb & Lipman will strive to provide legal services which are equally beneficially to both the County and AHA. In other words, rather than vigorously asserting each of your respective interest in the Development, we will strive to reach agreements on matters that are mutually beneficially to both clients.

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

1. No Secrets. First, Goldfarb & Lipman cannot maintain any secrets between the County and AHA in connection with the Development. In other words, anything disclosed by the County and AHA to Goldfarb & Lipman that is relevant to the representation must be disclosed to the other party. Therefore, if one party does not wish something relevant disclosed to the other party, then that party should not disclose it to us.

Additionally, in fulfilling our obligations to provide competent legal services, we may have to disclose to each party any information that we have obtained from any party in this transaction or any other transactions which may be relevant or material to this joint representation. Notwithstanding the foregoing, we would be required to obtain your prior written consent before we could make any such disclosures. At this point, we are unaware of any information that would require such disclosure.

2. Adverse Interest. Second, if any actual adverse interest develops between the County and AHA, 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 both of the respective interests, then we will have to withdraw from representing either party in connection with the Development.

3. Attorney-Client Privilege. Finally, with joint representation, the County and AHA waive the attorney-client privilege between themselves in connection with this Development. This means that in the event of litigation between the County and AHA in connection with the Development, Goldfarb & Lipman could be compelled to testify against a party. Both parties would, however, maintain the attorney-client privilege against third parties who might sue them.

III. Consents

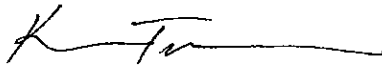
You should thoroughly review and consider the matters discussed in this letter, and perhaps seek independent counsel before providing your consent. If, after such review, each of you consents to Goldfarb & Lipman representing the County and AHA in the manner outlined above, please sign and return the attached consent form acknowledging that you have been advised of (i) Goldfarb & Lipman's past and continuing relationships with the County and AHA, (ii) the potential conflict of interest that Goldfarb & Lipman may have in its joint representation of the County and AHA in connection with the Development, and (iii) the consequences of such joint representation; and that you nevertheless, want to consent to our joint representation of the County and AHA in connection with the Development.

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

Sincerely,



ISABEL BROWN



KAREN M. TIEDEMANN

CONSENT

Goldfarb & Lipman LLP ("Goldfarb & Lipman") has apprised the County and AHA of (i) Goldfarb & Lipman's past and continuing relationships with the County and AHA, (ii) the potential conflict of interest that Goldfarb & Lipman may have in its joint representation of the County and AHA in connection with the Development, and (iii) the consequences of such joint representation. The undersigned nevertheless consent to Goldfarb & Lipman's joint representation of the County and AHA in the Development.

We understand that we have the right to seek independent counsel before signing this consent or at any future time.

Dated: _____

CONTRA COSTA COUNTY, a political
subdivision of the State of California

By: _____

Its: _____

Dated: _____

AFFORDABLE HOUSING ASSOCIATES,

By: _____

Its: _____