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January 19, 2016

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

Andy Madeira, Vice President
Real Estate Development
Eden Housing, Inc.
22645 Grand Street
Hayward, CA 94541

Re: Consents to Potential Conflict of Interest – East Bluff Apartments

Dear Ms. Anderson and Mr. Madeira:

We write this letter in response to the request of Contra Costa County (the "County") that Goldfarb & Lipman LLP ("Goldfarb & Lipman") represent the County in connection with the County's loan of Community Development Block Grant (CDBG) funds to a limited partnership affiliate of Eden Housing Inc. ("Eden") for the rehabilitation of an affordable housing project on property located at 1813 Marlesta Court, Pinole, California.

The primary purpose of this letter is to disclose to the County and Eden our representation of the County and to request your acknowledgment of and consent to the potential conflict of interest that arises from Goldfarb & Lipman's representation of the County in this transaction. Eden will be represented by separate counsel in this transaction.

I. Existing Relationships.

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

Eden is also an existing client. We represent Eden in a limited number of matters related to the operation of their housing developments. Currently, we are commencing representation of Eden in connection with an affordable housing project in the City of Livermore.

II. Current Transaction.

Eastbluff Associates, a California limited partnership ("Current Owner") owns the real property located at 1813 Marlesta Court, Pinole, California (the "Property"). The Property is improved with a 144 unit multifamily affordable housing development

San Francisco

415 788-6336

Los Angeles

213 627-6336

San Diego

619 239-6336

Goldfarb & Lipman LLP

(the "Improvements") (collectively, with the Property, the "Development"). The Current Owner intends to transfer the Development to a limited partnership in which the general partner will be controlled by Eden (the "Partnership").

The County CDBG funds will be used to fund the acquisition of the Development by the Partnership. The County loan will be in an amount not to exceed Two Million Dollars (\$2,000,000) (the "County Loan"). The County Loan will be evidenced by a Regulatory Agreement and Declaration of Restrictive Covenants and a Deed of Trust with Assignment of Rents, Security Agreement, and Fixture Filing to be recorded against the Property. The County Loan will have a term of fifty-five (55) years.

The City of Pinole (the "City") previously provided financing for the Development (the "City Loan"). It is our understanding that both the City Loan and County Loan will be repayable from excess cash flow from the Development. To effect that, City and the County will enter into an Intercreditor Agreement that will set out their agreement as to the sharing of Development cash flow for the repayment of the City Loan and the County Loan, in proportion to the amount of the City Loan and the County Loan.

The County has requested that Goldfarb & Lipman represent the County in all aspects of its role in the Development including the drafting and negotiating the documents evidencing the County Loan.

III. Potential Conflict of Interest.

As mentioned above, we understand that Eden has retained separate legal counsel to represent it in the Development. Nevertheless, our representation of the County could potentially create a conflict of interest for Goldfarb & Lipman related to, among other matters, our duty of loyalty to existing clients. The interests of the County and Eden in the Development are potentially adverse because each party has different objectives and goals in the Development. In addition, it is conceivable that that we may have obtained confidential information from Eden that may in the future be material to our representation of the County in the Development.

IV. Rules of Professional Conduct

At this time, we feel that we can competently represent the County in the Development and still maintain our duty of loyalty to Eden in the unrelated matters in which we represent them. In addition, we do not feel we have obtained any confidential information from Eden which is material to our representation of the County in the Development. However, if an actual conflict should arise related to the Development in which (i) we could not maintain our duty of loyalty to Eden in the unrelated matters, (ii) the issue of dispute is substantially related to the same issue in which we represented Eden, or (iii) we have obtained any confidential information from Eden which is material to our representation of the County as it relates to the Development, we would

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require the additional written consent of the County and Eden before we could continue to represent the County in the Development. In the unlikely event of litigation between Eden and the County on this matter, we would not represent either party in the litigation.

As attorneys we are governed by specific rules relating to our representation of clients where we have a relationship with both parties and therefore a potential conflict of interest. Rules 3-310(A), (B), (C), and (E) of the Rules of the Professional Conduct of the State Bar of California govern conflicts of interest. Accordingly, we must obtain the informed written consent of the County and Eden before proceeding with our representation of the County in connection with the Development.

V. Consents

If, after considering the foregoing, the County and Eden are so inclined, please sign and return to us a copy of this letter (i) acknowledging that we have informed you of our existing and continuous relationship with the County and Eden in matters unrelated to this Development, (ii) acknowledging that the County and Eden have been advised of Rules 3-310(A), (B), (C), and (E) and the potential conflict of interest associated with our representing the County in connection with the Development, and (iii) indicating that Eden and the County, as applicable, nevertheless consents to our representation of the County in connection with the Development.

If you have any questions regarding this letter or our representation of the County please call us before signing and returning a copy of this letter.

Sincerely,



ISABEL BROWN



KAREN TIEDEMANN

CONSENT

Goldfarb & Lipman LLP ("Goldfarb & Lipman") has explained to each of the undersigned the potential conflicts of interest that could arise from Goldfarb & Lipman's representation of the County in connection with the Development. We acknowledge the disclosure of: (i) Goldfarb and Lipman's past and continuing representations of the County and Eden in matters unrelated to the Development, (ii) the potential conflicts arising from such representation, and (iii) the consequences of any actual conflicts that may arise. The undersigned nevertheless consent to Goldfarb & Lipman's representation of the County in connection with the Development.

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

Dated: _____

COUNTY OF CONTRA COSTA

By: _____
Sharon Anderson, County Counsel

Dated: _____

EDEN HOUSING, INC.

By: _____
Andy Madeira, Vice President Real Estate
Development