

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Contra Costa County
Department of Conservation and Development
30 Muir Road
Martinez, CA 94553
Attn: Assistant Deputy Director

No fee document pursuant to
Government Code Section 27383 and 27388.1

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

FIRST AMENDMENT
To
AMENDED AND RESTATED INTERCREDITOR AGREEMENT

This first amendment to Amended and Restated Intercreditor Agreement ("First Amendment") is dated _____, 20__, and is by and among the CITY OF PLEASANT HILL, a municipal corporation, as housing successor agency to The Redevelopment Agency of the City of Pleasant Hill, the COUNTY OF CONTRA COSTA, a political subdivision of the State of California, and BRIDGE GRAYSON CREEK ASSOCIATES, a California limited partnership ("Borrower").

RECITALS

- A. The parties are party to an Amended and Restated Intercreditor Agreement dated as of September 17, 2001 (the "Agreement") with respect to a seventy-unit multifamily housing development in Pleasant Hill, California on the real property described on Exhibit A the "Property."
- B. Under the terms of the Agreement, "Annual Operating Expenses" is defined to include a partnership management fee payable to any partner or affiliate of any partner of Borrower, if any, not to exceed \$20,000 per year for the fifteen-year compliance period described in Section 42(i)(1) of the Internal Revenue Code of 1986, as amended (the "Management Fee Provision"). In exchange for Borrower continuing to manage the Property, to be consistent with the Contra Costa County Department of Conservation and Development fiscal year 2018-2019 Housing Funding Guidelines, and to assist Borrower in maintaining the Property's California property tax welfare exemption (specifically to comply with subsection (a)(6) of State Board of Equalization Rule 140.1, Requirements for Managing General Partner of Limited Partnership for Welfare Exemption for Low-Income Housing Properties") the parties desire to modify the Management Fee Provision

to increase the partnership management fee amount payable per year to \$25,000 and to eliminate the fifteen-year limitation on the time period over which the partnership management fee can be paid.

The parties therefore amend the Agreement as follows:

AGREEMENT

1. Section 1(a) of the Agreement is deleted in its entirety and replaced with the following:

(a) “Annual Operating Expenses” with respect to a particular calendar year means the following costs reasonably and actually incurred for the operation and maintenance of the Development to the extent that they are consistent with an annual independent audit performed by a certified public accountant using generally accepted accounting principles: property taxes and assessments imposed on the Development; debt service currently due on a non-optional basis (excluding debt service due from residual receipts or surplus cash of the Development) on loans associated with development of the Development and approved by the County and the Agency; partnership management fees (including any asset management fee) payable to any partner or affiliate of any partner of Borrower, if any, not to exceed Twenty-Five Thousand Dollars (\$25,000) per year, as approved by the County and the Agency; premiums for property damage and liability insurance; utility services not paid for directly by tenants, including water, sewer, and trash collection; maintenance and repair; any annual license or certificate of occupancy fees required for operation of the Development; security services; advertising and marketing; cash deposited into reserves for capital replacements of the Development in an amount not to exceed six tenths of one percent (.6%) of the total development cost of the Development; cash deposited into an operating reserve in an amount not to exceed 3% of Annual Operating Expenses or the amount required in connection with the permanent financing and the tax credit syndication, whichever is greater (or any greater amount approved by the County and the Agency) but with the operating reserve capped at the greater of Three Hundred Thousand Dollars (\$300,000) or six (6) months gross rent from the Development (as such rent may vary from time to time); payment of any previously unpaid portion of the development fee due BRIDGE Housing Corporation (without interest) not exceeding a cumulative development fee due BRIDGE Housing Corporation in the maximum amount set forth in the Amended DDLA and the Amended Agency Loan Agreement; extraordinary operating costs specifically approved by the County and the Agency; payments of deductibles in connection with casualty insurance claims not normally paid from reserves, the amount of uninsured losses actually replaced, repaired or restored, and not normally paid from reserves, and other ordinary and reasonably operating expenses not listed above. Annual Operating Expenses does not include the following: depreciation, amortization, depletion or other non-cash expenses; any amount expended from a reserve account; and any capital cost with respect to the Development, as determined by the accountant for the Development.

2. Section 9 of the Agreement is deleted in its entirety and replaced with the following:

9. Notices. Any notice required or permitted under this lease must be in writing and sent by overnight delivery service or registered or certified mail, postage prepaid and directed as follows:

Agency: City of Pleasant Hill
100 Gregory Lane
Pleasant Hill, CA 94523-3323
Attention: City Manager

County: County of Contra Costa
Community Development Department
30 Muir Road
Martinez, CA 94553
Attention: Affordable Housing Program Manager

Borrower: BRIDGE Grayson Creek Associates
c/o BRIDGE Housing Corporation
600 California Street, #900
San Francisco, CA 94108
Attention: President

Any party may at any time designate in writing a substitute address for that set forth above and thereafter notices are to be directed to such substituted address. If sent in accordance with this Section, all notices will be deemed effective (i) the next business day, if sent by overnight courier, or (ii) three days after being deposited in the United States Postal system..

3. All other terms of the Agreement remain unchanged.
4. This First Amendment is governed by the laws of the State of California. This First Amendment may be signed by the different parties hereto in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

[Signatures on following page]

The parties are signing this First Amendment as of the date first set forth above.

CITY OF PLEASANT HILL, a municipal corporation, as housing successor agency to The Pleasant Hill Redevelopment Agency

By: _____
June Catalano, City Manager

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

By: _____
John Kopchik, Department of Conservation and Development Director

BRIDGE-Grayson Creek Associates, a California limited partnership

By: _____
_____, [Title]

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Signature_____

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Signature _____

Exhibit A

LEGAL DESCRIPTION

REAL PROPERTY in the City of Pleasant Hill, County of Contra Costa, State of California, described as follows:

PARCEL ONE:

Parcel "8", as shown on the Parcel Map recorded March 9, 1972, in Book 21 of Maps, at Page 10 and Parcel "2" as shown on the Parcel Map recorded April 20, 1981 in Book 94 of Parcel Maps, at Page 19, Contra Costa County Records, described as follows:

Beginning at the northeast corner of said Parcel "8" (21 PM 10); thence from said point of beginning along the exterior lines of said Parcel "B" the following courses: South 43° 15' 15" East 131.15 feet to the beginning of a tangent curve concave to the northeast, having a radius of 424.98 feet; a radial line to the beginning of said curve bears South 46° 44' 45" West; thence southeasterly 154.99 feet along the arc of said curve through a central angle of 20° 53' 44" a radial line to the end of said curve bears South 25° 51' 01" West to the beginning of a non-tangent curve concave to the North, having a radius of 1940.00 feet, a radial line to the beginning of said curve bears South 17° 37' 15" East; thence westerly 326.25 feet along the arc of said curve through a Central angle of 09°-38' 08"; thence South 07° 59' 07" East 10.00 feet to the beginning of a non-tangent curve concave to the North, having a radius of 550.00 feet, a radial line to the beginning of said curve bears South 07° 59' 07" East; thence westerly 44.48 feet along the arc of said curve through a central angle of 04° 38' 02"; thence North 20° 30' 00" West 200.35 feet to the northwest corner of said Parcel "B" (21 PM 10) being the southwest corner of said Parcel "2" (94 PM 19); thence leaving said exterior line of Parcel "8" along the exterior line of said Parcel "2" (94 PM 19) the following courses: North 57° 00' 00" West 38.00 feet; thence North 33° 00' 00" East 111.00 feet; thence North 05° 12' 06" West 33.16 feet; thence North 60° 29' 30" West 160.00 feet; thence North 77° 30' 16" West 60.00 feet; thence North 06° 01' 53" East, 497.23 feet to the beginning of a non-tangent curve concave to the North, having a radius of 35.00 feet, a radial line to the beginning of said curve bears South 37° 49' 14" West; thence easterly 23.71 feet along the arc of said curve through a central angle of 38° 48' 48" to the beginning of a reverse curve concave to the West, having a radius of 42.00 feet, a radial line to the beginning of said curve bears North 00° 59' 34" West; thence southerly 19.27 feet along the arc of said curve through a central angle of 124° 30' 4-4"; thence South 56° 32' 57" East, 20.87 feet to the beginning of a non-tangent curve concave to the East, having a radius of 349.98 feet, a radial line to the beginning of said curve bears North 89° 10' 05" West; thence southerly 146.86 feet along the arc of said curve through a central angle of 24° 02' 35"; thence South 23° 12' 40" East, 225.75 feet to the beginning of a tangent curve concave to the northeast, having a radius of 674.96 feet; a radial line to the beginning of said curve bears South 66° 47' 20" West; thence southeasterly 236.11 feet through a central angle of 20° 02' 35"; thence South 43° 15' 15" East 22.58 feet to the point of beginning.

A.P. Nos.: 153-030-105 and 077

Said Parcel. One is also described in that certain Certificate of Lot Line Adjustment recorded July 28, 1999, Series No, 99-201561, Contra Costa County Records.

PARCEL TWO:

A non-exclusive easement appurtenant to Parcel One above for roadway access purposes and the installation and maintenance of sanitary sewers, storm drainage facilities, gas, electric, telephone, water, cable television and other utilities or facilities deemed necessary by county *in, on, over and across* the following described parcel of land:

Beginning at a point on the North line of Chilpancingo Parkway at the most southeasterly corner of Parcel "1" as said parcel is shown on the Parcel Map filed April 20, 1981 in Book 94 of Parcel Maps at Page 19, Contra Costa County Records, thence along the exterior line of said Parcel 1, North 20° 30' 00" West, 200.35 feet; thence leaving said exterior line, North 57° 00' 00" West, 38.00 feet; South 33° 00' 00" West, 27.86 feet; South 20° 30' 00" East, 145.00 feet and South 15° 46' 14" West, 49.91 feet to the northerly line of said Chilpancingo Parkway; thence easterly along said northerly line 80.12 feet, more or less, to the point of beginning.