

PROMISSORY NOTE
(Heritage Point)

\$66,330

Martinez, California
April 1, 2019

FOR VALUE RECEIVED, the undersigned Heritage Point Commercial LLC, a California limited liability company ("Borrower") hereby promises to pay to the order of the County of Contra Costa, a political subdivision of the State of California ("Holder"), the principal amount of Sixty-Six Thousand Three Hundred Thirty Dollars (\$66,330) plus interest thereon pursuant to Section 2 below.

All capitalized terms used but not defined in this Note have the meanings set forth in the Amended and Restated Disposition and Development Agreement between Borrower and Holder of even date herewith (the "DDA").

1. Borrower's Obligation. This promissory note (the "Note") evidences Borrower's obligation to repay Holder the principal amount of Sixty-Six Thousand Three Hundred Thirty Dollars (\$66,330) with interest for the funds loaned to Borrower by Holder to finance the acquisition of the Property pursuant to the DDA.

2. Interest.

(a) Subject to the provisions of Subsection (b) below, the Loan bears simple interest at a rate of three percent (3%) per annum from the date of disbursement until full repayment of the principal balance of the Loan.

(b) If an Event of Default occurs, interest will accrue on all amounts due under this Note at the Default Rate until such Event of Default is cured by Borrower or waived by Holder.

3. Term and Repayment Requirements. Principal and interest under this Note is due and payable as set forth in Section 2.3 of the DDA. The unpaid principal balance hereunder, together with accrued interest thereon, is due and payable no later than the date that is the earlier of (i) thirty (30) months from the date of this Note, and (ii) the Commencement of Construction.

4. No Assumption. This Note is not assumable by the successors and assigns of Borrower without the prior written consent of Holder, except as provided in the DDA.

5. Security. This Note, with interest, is secured by the Deed of Trust. Upon execution, the Deed of Trust will be recorded in the official records of Contra Costa County, California. The terms of the Deed of Trust are hereby incorporated into this Note and made a part hereof.

6. Terms of Payment.

(a) Borrower shall make all payments due under this Note in currency of the United States of America to Holder at Department of Conservation and Development, 30 Muir Road, Martinez, CA 94553, Attention: Assistant Deputy Director, or to such other place as Holder may from time to time designate.

(b) All payments on this Note are without expense to Holder. Borrower shall pay all costs and expenses, including re-conveyance fees and reasonable attorney's fees of Holder, incurred in connection with the enforcement of this Note and the release of any security hereof.

(c) Notwithstanding any other provision of this Note, or any instrument securing the obligations of Borrower under this Note, if, for any reason whatsoever, the payment of any sums by Borrower pursuant to the terms of this Note would result in the payment of interest that exceeds the amount that Holder may legally charge under the laws of the State of California, then the amount by which payments exceed the lawful interest rate will automatically be deducted from the principal balance owing on this Note, so that in no event is Borrower obligated under the terms of this Note to pay any interest that would exceed the lawful rate.

(d) The obligations of Borrower under this Note are absolute and Borrower waives any and all rights to offset, deduct or withhold any payments or charges due under this Note for any reason whatsoever.

(e) This Note is nonrecourse to Borrower, pursuant to and except as provided in Section 2.3(f) of the DDA which Section 2.3(f) is hereby incorporated into this Note.

7. Event of Default; Acceleration.

(a) Upon the occurrence of an Event of Default, the entire unpaid principal balance, together with all interest thereon, and together with all other sums then payable under this Note and the Deed of Trust will, at the option of Holder, become immediately due and payable without further demand.

(b) Holder's failure to exercise the remedy set forth in Subsection 7(a) above or any other remedy provided by law upon the occurrence of an Event of Default does not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other Event of Default. The acceptance by Holder of any payment that is less than the total of all amounts due and payable at the time of such payment does not constitute a waiver of the right to exercise any of the foregoing remedies or options at that time or at any subsequent time, or nullify any prior exercise of any such remedy or option, without the express consent of Holder, except as and to the extent otherwise provided by law.

8. Waivers.

(a) Borrower hereby waives diligence, presentment, protest and

demand, and notice of protest, notice of demand, notice of dishonor and notice of non-payment of this Note. Borrower expressly agrees that this Note or any payment hereunder may be extended from time to time, and that Holder may accept further security or release any security for this Note, all without in any way affecting the liability of Borrower.

(b) Any extension of time for payment of this Note or any installment hereof made by agreement of Holder with any person now or hereafter liable for payment of this Note must not operate to release, discharge, modify, change or affect the original liability of Borrower under this Note, either in whole or in part.

9. Miscellaneous Provisions.

(a) All notices to Holder or Borrower are to be given in the manner and at the addresses set forth in the DDA, or to such addresses as Holder and Borrower may therein designate.

(b) Borrower promises to pay all costs and expenses, including reasonable attorney's fees, incurred by Holder in the enforcement of the provisions of this Note, regardless of whether suit is filed to seek enforcement.

(c) This Note is governed by the laws of the State of California.

(d) The times for the performance of any obligations hereunder are to be strictly construed, time being of the essence.

(e) The Loan Documents, of which this Note is a part, contain the entire agreement between the parties as to the Loan. This Note may not be modified except upon the written consent of the parties.

IN WITNESS WHEREOF, Borrower is executing this Promissory Note as of the day and year first above written.

Heritage Point Commercial LLC, a California limited liability company

By: Community Housing Development Corporation of North Richmond, a California nonprofit public benefit corporation, its sole member/manager

By: _____
Donald Gilmore, Executive Director