

**RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:**

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TERMINATION AGREEMENT

by and between the

COUNTY OF CONTRA COSTA

and

**HIDDEN COVE APARTMENTS, LP,
a California limited partnership**

dated as of January 1, 2020

relating to:

**Regulatory Agreement and Declaration of Restrictive Covenants,
dated as of May 1, 2003, originally among the
County of Contra Costa,
Steadfast Hidden Cove, L.P. and
Wells Fargo Bank, National Association**

TERMINATION AGREEMENT

This TERMINATION AGREEMENT, dated as of January 1, 2020 (the "Agreement"), is by and between the COUNTY OF CONTRA COSTA (the "County") and HIDDEN COVE APARTMENTS, LP, a California limited partnership (the "Owner").

RECITALS:

WHEREAS, pursuant to a Trust Indenture, dated as of May 1, 2003 (the "Indenture"), between the County and Wells Fargo Bank, National Association, as trustee (the "Trustee"), the County issued its County of Contra Costa Multifamily Housing Revenue Bonds (Hidden Cove Apartments Project), 2003 Series A (the "Bonds"); and

WHEREAS, the proceeds of the Bonds were loaned (the "Loan") by the County to Steadfast Hidden Cove, L.P., a California limited partnership (the "Original Borrower"), pursuant to a Loan Agreement, dated as of May 1, 2003 (the "Loan Agreement"), between the County and the Original Borrower, and the Original Borrower used proceeds of the Loan to finance an 88 unit multifamily rental housing facility known as Hidden Cove Apartments located in the Bay Point unincorporated area of the County (the "Project"); and

WHEREAS, in connection with the issuance of the Bonds, the County, the Trustee and the Original Borrower entered into a Regulatory Agreement and Declaration of Restrictive Covenants, dated as of May 1, 2003 (the "Regulatory Agreement") and recorded on May 7, 2003 in the official records of the County of Contra Costa, State of California, as Instrument No. DOC-2003-0211557-00, which Regulatory Agreement sets forth certain terms and conditions relating to the operation of the Project; and

WHEREAS, the Owner has sold the Project to Hidden Cove Apartments, LP, a California limited partnership (the "New Owner"), the Loan has been fully prepaid and the Bonds have been legally defeased as provided in Section 14.01 of the Indenture; and

WHEREAS, Section 18 of the Regulatory Agreement provides that, after the date on which no Bonds remain Outstanding, as provided in the Indenture, the Trustee shall no longer have any duties or responsibilities under the Regulatory Agreement and all references to the Trustee in the Regulatory Agreement shall be deemed references to the County; and

WHEREAS, in connection with the sale of the Project by the Original Borrower to the New Owner, the Original Borrower, the New Owner and the County have entered into an Assignment and Assumption of Regulatory Agreement and Declaration of Restrictive Covenants, dated as of August 15, 2019, whereby the New Owner assumed all of the obligations of the Original Borrower under the Regulatory Agreement arising from and after August 15, 2019; and

WHEREAS, the New Owner is now obtaining a loan (the "2020 Borrower Loan") from the County which is issuing its County of Contra Costa, California Multifamily Housing Revenue Note (Hidden Cove Apartments), 2020 Series A (the "2020 Bonds") and using the proceeds of the 2020 Bonds to make the 2020 Borrower Loan; and

WHEREAS, in connection with the issuance of the 2020 Bonds and the 2020 Borrower Loan, the County and the New Owner are entering into a Regulatory Agreement and Declaration of Restrictive Covenants (the "New Regulatory Agreement"), which New Regulatory Agreement sets forth terms and conditions relating to the operation of the Project,

including provisions substantially the same as those in Sections 2, 3 and 4 of the Regulatory Agreement, and is for a term at least as long as the remaining term of the Regulatory Agreement; and

WHEREAS, the County and the New Owner have agreed to make the owners of the Bonds beneficiaries of the New Regulatory Agreement, so that the New Regulatory Agreement can supplant the Regulatory Agreement upon its execution; and

WHEREAS, the County has received the opinion of Bond Counsel (as defined in the Loan Agreement) to the effect that the execution and delivery of this Agreement and the New Regulatory Agreement, and the termination of the Regulatory Agreement as provided herein, will not adversely affect the exclusion of the interest on the Bonds from the gross incomes of the owners of the Bonds; and

WHEREAS, the County and the Owner now desire to provide for the termination of the Regulatory Agreement as provided herein.

A G R E E M E N T :

NOW, THEREFORE, in consideration of the foregoing and for other consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

Section 1. Termination.

(a) The County and the New Owner hereby agree that the Regulatory Agreement shall cease and terminate.

(b) In accordance with the foregoing, the Regulatory Agreement recorded May 7, 2003, as Instrument No. DOC-2003-0211557-00 in the Official Records of Contra Costa County, State of California, is hereby terminated and is of no further force and effect.

(c) From and after the date hereof, neither the County nor the New Owner shall have any further rights or obligations under the Regulatory Agreement.

Section 2. Execution in Counterparts. This Termination Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Termination Agreement as of the day and year first written above.

COUNTY OF CONTRA COSTA, CALIFORNIA

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

HIDDEN COVE APARTMENTS, LP,
a California limited partnership

By: Spira Hidden Cove, LP, a California
limited partnership, its Administrative
General Partner

By: Spira Hidden Cove, LLC, a California
limited liability company, its General
Partner

By: _____
Robert Lee, Vice President

By: FFAH V Hidden Cove, LLC, a California
limited liability company, its Manager
General Partner

By: Foundation for Affordable Housing V,
Inc., a California nonprofit public
benefit pcorporation, its Sole Member

By: _____
Deborrah A. Willard, President

03007.50:J16632

[Signature page to Termination Agreement for Hidden Cove Apartments]

NOTARY ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }
County of _____ } ss.

On _____, before me, _____
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared _____
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____ [Seal]
Notary Public

NOTARY ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

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Name(s) of Signer(s)

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Signature _____ [Seal]
Notary Public

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WITNESS my hand and official seal.

Signature _____ [Seal]
Notary Public

EXHIBIT A

[to come-legal description of Project site]