

RECORDING REQUESTED PURSUANT
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 for recording pursuant to
Government Code Section 27383 and 27388.1

INTERCREDITOR AGREEMENT

(Galindo Terrace)

This Intercreditor Agreement (the "Agreement") is dated July 1, 2022, and is among the City of Concord, a municipal corporation (the "City"), the County of Contra Costa, a political subdivision of the State of California (the "County"), and Galindo, L.P., a California limited partnership ("Borrower"), with reference to the following facts:

RECITALS

A. Defined terms used but not defined in these recitals are as defined in Section 1 of this Agreement.

B. Borrower is the owner of that certain real property located at 1313 & 1321 Galindo Street in the City of Concord, County of Contra Costa, State of California, as more particularly described in Exhibit A (the "Property"). Borrower intends to construct sixty-one (61) housing units on the Property for rental to extremely low, very low and low incomes households, and one (1) manager's unit (the "Development"). The Development, as well as all landscaping, roads, and parking spaces on the Property and any additional improvements on the Property, are the "Improvements".

C. Concurrently herewith the County is making following loans to Borrower: (i) a loan of Two Million Dollars (\$2,000,000) funded using Home Investment Partnerships Act funds from HUD pursuant to the Cranston-Gonzales National Housing Act of 1990 (the "HOME Loan"); and (ii) a loan of Two Hundred Thousand Dollars (\$200,000) funded using Housing Opportunities for Persons with AIDS Program funds from HUD pursuant to the HOPWA Program (the "HOPWA Loan"). The sum of the HOME Loan and the HOPWA Loan is Two Million Two Hundred Thousand Dollars (\$2,200,000) (the "County Loan").

D. The County Loan is evidenced by the following documents dated of even date herewith: (i) a HOME and HOPWA Loan Agreement between the County and Borrower (the "County Loan Agreement"); (ii) a promissory note in the amount of the HOME Loan, and a promissory note in the amount of the HOPWA Loan, both executed by Borrower (collectively,

the "County Notes"); and (iii) a Deed of Trust with Assignment of Rents, Security Agreement, and Fixture Filing among Borrower, as trustor, North American Title Company, as trustee, and the County, as beneficiary, recorded against the Property concurrently herewith (the "County Deed of Trust").

E. The City previously made a loan to Borrower in the amount of Seven Million Eight Hundred Thousand Dollars (\$7,800,000) (the "City Loan").

F. The City Loan is evidenced by the following documents (among others): (i) an Amended and Restated Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated December 20, 2019 and recorded against the Property on December 23, 2019 as Instrument number 2019-9023069500011 (the "City Deed of Trust"); and (ii) an Amended and Restated Promissory Note executed by Borrower for the benefit of the City in the amount of the City Loan (the "City Note").

G. The City and the County desire to cause the City Deed of Trust and the County Deed of Trust (together, the "Deeds of Trust") to be equal in lien priority. The City and the County also desire to divide (i) the proceeds of any foreclosure, condemnation or insurance claim, and (ii) the Lenders' Share of Residual Receipts, as described herein.

NOW, THEREFORE, the Parties agree as follows:

AGREEMENT

1. Definitions. The following terms have the following meanings:

(a) "Accelerator Funds" means California Housing Accelerator Tier 1 funds made available through the Coronavirus State Fiscal Recovery Fund (CSFRF) established by the federal American Rescue Plan Act of 2021 (ARPA) (Public Law 117-2).

(b) "Accelerator Loan" has the meaning set forth in Section 1(f)(vii).

(c) "Annual City Loan Payment" has the meaning in Section 2(b).

(d) "Annual County Loan Payment" has the meaning in Section 2(a).

(e) "Annual Operating Expenses" means for each calendar year, the following costs reasonably and actually incurred for operation and maintenance of the Development:

i. property taxes and assessments imposed on the Development;

ii. debt service currently due on a non-optional basis (excluding debt service due from residual receipts or surplus cash of the Development) on the Permanent Loan;

iii. on-site service provider fees for tenant social services, provided the County and City have approved, in writing, the plan and budget for such services before such services begin;

iv. payment to HCD of a portion of the accrued interest on the HCD

NPLH Loan and HCD AHSC Loan pursuant to California Code of Regulations Title 25, Section 7308;

v. property management fees and reimbursements, on-site property management office expenses, and salaries of property management and maintenance personnel, not to exceed amounts that are standard in the industry and which are pursuant to a management contract approved by the County and the City;

vi. the Partnership Management Fee;

vii. fees for accounting, audit, and legal services incurred by Borrower's general partner in the asset management of the Development, not to exceed amounts that are standard in the industry, to the extent such fees are not included in the Partnership Management Fee;

viii. premiums for insurance required for the Improvements to satisfy the requirements of any lender of Approved Financing;

ix. utility services not paid for directly by tenants, including water, sewer, and trash collection;

x. maintenance and repair expenses and services;

xi. any annual license or certificate of occupancy fees required for operation of the Development;

xii. security services;

xiii. advertising and marketing;

xiv. cash deposited into the Replacement Reserve Account in the amount set forth in Section 4.2(a) of the County Loan Agreement;

xv. cash deposited into the Operating Reserve Account to maintain the amount set forth in Section 4.2(b) of the County Loan Agreement (excluding amounts deposited to initially capitalize the account);

xvi. extraordinary operating costs specifically approved in writing by the County and the City;

xvii. the HOME Monitoring Fee; and

xviii. 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 reasonable operating expenses approved in writing by the County and the City and not listed above.

Annual Operating Expenses do not include the following: depreciation, amortization, depletion or other non-cash expenses, initial deposits to capitalize a reserve

account, any amount expended from a reserve account, and any capital cost associated with the Development.

(f) "Approved Financing" means all of the following loans, grants, equity, and operating subsidy obtained by Borrower and approved by the County and the City for the purpose of financing the construction of the Development in addition to the County Loan and the City Loan:

i. a construction loan from Wells Fargo, N.A., a national banking association (the "Bank") in the approximate amount of [[Forty-Four Million Seven Hundred Eighty-One Thousand Three Hundred Fifty-Six Dollars (\$44,781,356)]] (the "Bank Construction Loan"), which will convert to a permanent loan in the approximate amount of [[Nine Hundred Seventeen Thousand Dollars (\$917,000)]] (the "Permanent Loan");

ii. a permanent loan of Affordable Housing and Sustainable Communities funds from the California Department of Housing and Community Development ("HCD") in the approximate amount of Ten Million Seventy-Four Thousand Eight Hundred and Sixteen Dollars (\$10,074,816) (the "HCD AHSC Loan");

iii. Affordable Housing and Sustainable Communities Housing Related Infrastructure grant funds from HCD to be contributed by Borrower's general partner to the Partnership in the approximate amount of Two Million Four Hundred and Fifty Thousand Dollars (\$2,450,000) (the "HCD AHSC HRI Funds");

iv. Infill Infrastructure Grant funds from HCD to be contributed by Borrower's general partner to the Partnership in the amount of Four Million Two Hundred Twelve Thousand Six Hundred and Eighty Dollars (\$4,212,680) (the "HCD IIG Funds");

v. a permanent loan of No Place Like Home program ("NPLH") funds from HCD in the approximate amount of Three Million Five Hundred Eighty-Two Thousand and Eighty-Five Dollars (\$3,582,085) (the "HCD NPLH Loan");

vi. NPLH Capitalized Subsidy Operating Reserve funds from HCD in the approximate amount of Two Million Four Hundred Eighteen Thousand and Seventy-Eight Dollars (\$2,418,078) to be contributed by Borrower's general partner to the Partnership (the "HCD NPLH COSR"); and

vii. a permanent loan of Accelerator program funds from HCD in the approximate amount of Thirty-Three Million Six Hundred and Two Thousand Four Hundred and Thirty-Six Dollars (\$33,602,436) (the "Accelerator Loan").

(g) "Available Net Proceeds" means the result obtained by multiplying the Net Proceeds of Permanent Financing by 0.75.

(h) "Bank" has the meaning set forth in Section 1(d)(i).

(i) "Bank Construction Loan" has the meaning set forth in Section 1(d)(i).

- (j) "Borrower" has the meaning set forth in the first paragraph of this Agreement.
- (k) "City" has the meaning set forth in the first paragraph of this Agreement.
- (l) "City Additional Prorata Percentage" means the result obtained by dividing the City Loan by the sum of the HOME Loan and the City Loan.
- (m) "City Deed of Trust" has the meaning set forth in Paragraph F of the Recitals.
- (n) "City Loan" has the meaning set forth in Paragraph E of the Recitals.
- (o) "City Loan Prorata Percentage" means the result, expressed as a percentage, obtained by dividing the City Loan by the sum of the HOME Loan minus any Special County Loan Repayment, the City Loan minus any Special City Loan Repayment, the HCD AHSC Loan, and the HCD NPLH Loan, to the extent such loan funds are disbursed.
- (p) "City Note" has the meaning set forth in Paragraph F of the Recitals.
- (q) "Completion Date" means the date a final certificate of occupancy, or equivalent document is issued by the City to certify that the Development may be legally occupied.
- (r) "County" has the meaning set forth in the first paragraph of this Agreement.
- (s) "County Additional Prorata Percentage" means the result obtained by dividing the County Loan by the sum of the County Loan and the City Loan.
- (t) "County Deed of Trust" has the meaning set forth in Paragraph D of the Recitals.
- (u) "County Loan" has the meaning set forth in Paragraph C of the Recitals.
- (v) "County Loan Agreement" has the meaning set forth in Paragraph D of the Recitals.
- (w) "County Loan Prorata Percentage" means the result, expressed as a percentage, obtained by dividing the HOME Loan minus any Special County Loan Repayment by the sum of the HOME Loan minus any Special County Loan Repayment, the City Loan minus any Special City Loan Repayment, the HCD AHSC Loan, and the HCD NPLH Loan, to the extent such loan funds are disbursed.
- (x) "County Notes" has the meaning set forth in Paragraph D of the Recitals.
- (y) "Deeds of Trust" has the meaning set forth in Paragraph G of the Recitals.
- (z) "Default Rate" means a rate of interest equal to the lesser of the maximum rate permitted by law and ten percent (10%) per annum.

(aa) "Development" has the meaning set forth in Paragraph B of the Recitals.

(bb) "Enforcing Party" has the meaning set forth in Section 6(b).

(cc) "Final Cost Certification" means a certification of the Final Development Costs, prepared by Borrower in a form acceptable to the County, and audited by an independent public accountant approved by the County.

(dd) "Final Development Cost" means the total of the cost of construction of the Development as shown on the Final Cost Certification.

(ee) "Foreclosure Net Proceeds" means the proceeds that result from a foreclosure, or any other action, whether judicial or non-judicial, less (i) all amounts paid to any senior lien holder, and (ii) expenses incurred by a lender that is a Party to this Agreement in connection with such foreclosure or other action.

(ff) "Gross Revenue" means for each calendar year, all revenue, income, receipts, and other consideration actually received from the operation and leasing of the Development. Gross Revenue includes, but is not limited to:

- i. all rents, fees and charges paid by tenants;
- ii. Section 8 payments or other rental or operating subsidy payments received for the dwelling units;
- iii. deposits forfeited by tenants;
- iv. all cancellation fees;
- v. price index adjustments and any other rental adjustments to leases or rental agreements;
- vi. net proceeds from vending and laundry room machines;
- vii. the proceeds of business interruption or similar insurance not paid to senior lenders;
- viii. the proceeds of casualty insurance not used to rebuild the Development and not paid to senior lenders; and
- ix. condemnation awards for a taking of part or all of the Development for a temporary period.

Gross Revenue does not include tenants' security deposits, loan proceeds, unexpended amounts (including interest) in any reserve account, required deposits to reserve accounts, capital contributions or similar advances.

(gg) "HCD" has the meaning set forth in Section 1(f)(ii).

(hh) "HCD AHSC HRI Funds" has the meaning set forth in Section 1(f)(iii).

- (ii) "HCD AHSC Loan" has the meaning set forth in Section 1(f)(ii).
- (jj) "HCD IIG Funds" has the meaning set forth in Section 1(f)(iv).
- (kk) "HCD NPLH COSR" has the meaning set forth in Section 1(f)(vi).
- (ll) "HCD NPLH Loan" has the meaning set forth in Section 1(f)(v).
- (mm) "HOME" means the HOME Investment Partnership Act Program pursuant to the Cranston-Gonzales National Affordable Housing Act of 1990 (42 U.S.C. 12705 et seq.), as amended.
- (nn) "HOME Loan" has the meaning set forth in paragraph C of the Recitals.
- (oo) "HOME Monitoring Fee" has the meaning set forth in Section 3.20 of the County Loan Agreement.
- (pp) "HOPWA" means the Housing Opportunities for Persons with AIDS Program Pursuant to the AIDS Housing Opportunity Act (42 USC 12901 et seq.), as amended by the Housing and Community Development Act of 1992 (42 USC 5301 et seq.).
- (qq) "HOPWA Loan" has the meaning set forth in Paragraph C of the Recitals.
- (rr) "HUD" means the United States Department of Housing and Urban Development.
- (ss) "Improvements" has the meaning set forth in Paragraph B of the Recitals.
- (tt) "Lenders' Share of Residual Receipts" means fifty percent (50%) of Residual Receipts.
- (uu) "Local Lender's Share of Residual Receipts" means twenty-five percent (25%) of Residual Receipts.
- (vv) "Net Proceeds of Permanent Financing" means the amount by which Permanent Financing exceeds the Final Development Costs.
- (ww) "Parties" means the City, the County, and Borrower.
- (xx) "Partnership Agreement" means the Agreement of Limited Partnership executed by RCD GP III LLC as the general partner and 112 Alves Lane, Inc. as the limited partner, governing the operation and organization of Borrower as a California limited partnership.
- (yy) "Partnership Management Fee" means partnership management fees payable pursuant to the Partnership Agreement to any partner of Borrower in the amounts approved by the County as set forth in Section 3.19 of the County Loan Agreement.
- (zz) "Permanent Conversion" means the date the Bank Construction Loan converts to the Permanent Loan.

(aaa) "Permanent Financing" means the sum of the following amounts: (i) the Permanent Loan; (ii) the HCD AHSC Loan; (iii) the HCD AHSC HRI Funds, (iv) the HCD IIG Funds, (v) the HCD NPLH Loan, (vi) the Accelerator Loan, (vii) the County Loan, and (viii) the City Loan.

(bbb) "Priority Developer Fee" has the meaning set forth in Section 3.18 of the County Loan Agreement.

(ccc) "Property" has the meaning set forth in Paragraph B of the Recitals.

(ddd) "Residual Receipts" means for each calendar year, the amount by which Gross Revenue exceeds Annual Operating Expenses.

(eee) "Special City Loan Payment" has the meaning set forth in Section 3(b).

(fff) "Special County Loan Payment" has the meaning set forth in Section 3(a).

(ggg) "Statement of Residual Receipts" means an itemized statement of Residual Receipts.

(hhh) "Term" means the period of time that commences on the date of this Agreement, and expires, unless sooner terminated in accordance with this Agreement, on the fifty-fifth (55th) anniversary of the Completion Date; provided, however, if a record of the Completion Date cannot be located or established, the Term will expire on the fifty-seventh (57th) anniversary of this Agreement.

2. Annual Payments to County and City.

(a) County Loan.

i. Commencing on June 1, 2025, and on June 1 of each year thereafter during the Term, Borrower shall make a loan payment to the County of the HOME Loan in an amount equal to the sum of (1) County Loan Prorata Percentage of the Lenders' Share of Residual Receipts and (2) the County Additional Prorata Percentage of the Local Lender's Share of Residual Receipts (each such payment, an "Annual County Loan Payment"). The County shall apply all Annual County Loan Payments to the HOME Loan as follows: (1) first, to accrued interest, and (2) second, to principal.

ii. Borrower shall repay the County Loan pursuant to the terms of the County Loan Agreement and the County Notes. In the event of any conflict between the repayment terms and provisions of the County Loan Agreement and this Agreement, the provisions of this Agreement apply. The County may not consent to any amendment or waiver of the terms of the County Loan Agreement or the County Notes if such amendment or waiver could reasonably be deemed to materially adversely affect the City, without the City's prior written approval, which the City may withhold in its sole discretion.

(b) City Loan.

i. Commencing on June 1, 2025, and on June 1 of each year thereafter during the Term, Borrower shall make a loan payment to the City in an amount equal to the sum of (1) the City Loan Prorata Percentage of the Lenders' Share of Residual Receipts and (2) the City Additional Prorata Percentage of the Local Lender's Share of Residual Receipts (each such payment, an "Annual City Loan Payment"). The City shall apply all Annual City Loan Payments to the City Loan as follows: (1) first, to accrued interest, and (2) second, to principal for the City Loan.

ii. Borrower shall repay the City Loan pursuant to the terms of the City Note. In the event of any conflict between the repayment terms of the City Note and this Agreement, the provisions of this Agreement apply. The City may not consent to any amendment or waiver of the terms of the City Note, if such amendment or waiver could reasonably be deemed to materially adversely affect the County, without the County's prior written approval, which the County may withhold in its sole discretion.

3. Special Repayment from Net Proceeds of Permanent Financing.

(a) To the extent consistent with the regulations applicable to the HCD AHSC Loan and the HCD NPLH Loan, no later than ten (10) days after the date of Permanent Conversion, Borrower shall pay to the County as a special repayment of the HOME Loan, an amount equal to the result obtained by multiplying the County Additional Prorata Percentage by the Available Net Proceeds (the "Special County Loan Payment").

(b) To the extent consistent with the regulations applicable to the HCD AHSC Loan and the HCD NPLH Loan, no later than ten (10) days after the date of Permanent Conversion, Borrower shall pay to the City as a special repayment of the City Loan, an amount equal to the result obtained by multiplying the City Additional Prorata Percentage by the Available Net Proceeds (the "Special City Loan Payment")

(c) No later than one hundred eighty (180) days following completion of construction of the Development, Borrower shall submit to the County and the City a preliminary calculation of the Net Proceeds of Permanent Financing and a draft of the Final Cost Certification. The County and the City shall approve or disapprove Borrower's determination of the amount of the Net Proceeds of Permanent Financing in writing within thirty (30) days of receipt. If Borrower's determination is disapproved by the County or the City, Borrower shall re-submit documentation to the County until approval of the County and the City is obtained.

4. Reports and Accounting of Residual Receipts.

(a) Annual Reports. In connection with the Annual County Loan Payment and the Annual City Loan Payment, Borrower shall furnish to the City and the County:

i. The Statement of Residual Receipts for the relevant period. The first Statement of Residual Receipts will cover the period that begins on January 1 2024, and ends on December 31 of that same year. Subsequent statements of Residual Receipts will cover the twelve-month period that ends on December 31 of each year;

ii. A statement from the independent public accountant that audited

Borrower's financial records for the relevant period, which statement must confirm that Borrower's calculation of the Lender's Share of Residual Receipts and Local Lender's Share of Residual Receipts is accurate based on Operating Income and Annual Operating Expenses; and

iii. Any additional documentation reasonably required by the County or the City to substantiate Borrower's calculation of Lender's Share of Residual Receipts and Local Lender's Share of Residual Receipts.

(b) Books and Records. Borrower shall keep and maintain at the principal place of business of Borrower set forth in Section 11 below, or elsewhere with the written consent of the County and the City, full, complete and appropriate books, record and accounts relating to the Development, including all books, records and accounts necessary or prudent to evidence and substantiate in full detail Borrower's calculation of Residual Receipts and disbursements of Residual Receipts. Borrower shall cause all books, records and accounts relating to its compliance with the terms, provisions, covenants and conditions of this Agreement to be kept and maintained in accordance with generally accepted accounting principles consistently applied, and to be consistent with requirements of this Agreement, which provide for the calculation of Residual Receipts on a cash basis. Borrower shall cause all books, records, and accounts to be open to and available for inspection by the County and the City, their auditors or other authorized representatives at reasonable intervals during normal business hours. Borrower shall cause copies of all tax returns and other reports that Borrower may be required to furnish to any government agency to be open for inspection by the County and the City at all reasonable times at the place that the books, records and accounts of Borrower are kept. Borrower shall preserve records on which any statement of Residual Receipts is based for a period of not less than five (5) years after such statement is rendered, and for any period during which there is an audit undertaken pursuant to subsection (c) below then pending.

(c) County and City Audits.

i. The receipt by the County or the City of any statement pursuant to subsection (a) above or any payment by Borrower or acceptance by the County or the City of any loan repayment for any period does not bind the County or the City as to the correctness of such statement or such payment. The County or the City or any designated agent or employee of the County or the City is entitled at any time to audit the Residual Receipts and all books, records, and accounts pertaining thereto. The County and/or the City may conduct such audit during normal business hours at the principal place of business of Borrower and other places where records are kept. Immediately after the completion of an audit, the County or the City, as the case may be, shall deliver a copy of the results of the audit to Borrower.

ii. If it is determined as a result of an audit that there has been a deficiency in a loan repayment to the County and/or the City, then such deficiency will become immediately due and payable, with interest at the Default Rate from the date the deficient amount should have been paid. In addition, if the audit determines that Residual Receipts have been understated for any year by the greater of (i) \$2,500, and (ii) an amount that exceeds five percent (5%) of the Residual Receipts, then, in addition to paying the deficiency with interest, Borrower shall pay all of the costs and expenses connected with the audit and review of Borrower's accounts and records incurred by the County and/or the City.

5. Deeds of Trust. Notwithstanding the fact that the City Deed of Trust recorded prior to the County Deed of Trust, the Deeds of Trust are equal in lien priority.

6. Notice of Default.

(a) The County and the City shall each notify the other promptly upon declaring a default or learning of the occurrence of any material event of default, or any event which with the lapse of time would become a material event of default, under its respective loan documents for the City Loan and the County Loan.

(b) The City and the County agree not to make a demand for payment from Borrower or accelerate the City Note or the County Notes, as the case may be, or commence enforcement of any of the rights and remedies under the City Deed of Trust or the County Deed of Trust, as the case may be, until the date that is five (5) business days following delivery of written notice by the Party enforcing its rights (the "Enforcing Party") to the other Party stating that a "default" (as defined in the relevant Deed of Trust) has occurred and is continuing and that the Enforcing Party is requesting the other Party's assistance in foreclosure pursuant to Section 7.

7. Cooperation in Foreclosure.

(a) If there is a default under City Loan and/or County Loan, after expiration of any applicable cure periods, the party who is the lender on the defaulted loan shall cooperate with the other lender that is a Party to this Agreement to coordinate any foreclosure proceedings or other appropriate remedies.

(b) Neither the County nor the City may contest the validity, perfection, priority, or enforceability of the lien granted to the other Party by a deed of trust secured by the Property. Notwithstanding any failure of a Party to perfect its lien on the Property or any other defect in the security interests or obligations owing to such Party, the priority and rights as between the lenders that are Parties to this Agreement are as set forth in this Agreement.

8. Foreclosure Proceeds. If there is a foreclosure, or any other action, whether judicial or nonjudicial, under any or both of the Deeds of Trust (including the giving of a deed in lieu of foreclosure), the proceeds resulting from such foreclosure or action will be first used to pay (i) all amounts paid to any senior lien holder, and (ii) expenses incurred by the County, the City, or both, in connection with such foreclosure or other action. After such payments (i) the City is entitled to the result obtained by multiplying the City Loan Prorata Percentage by the Foreclosure Net Proceeds, and (ii) the County is entitled to the result obtained by multiplying the County Loan Prorata Percentage by the Foreclosure Net Proceeds.

9. Insurance and Condemnation Proceeds. If, as a result of having made the City Loan and the County Loan, the City and County are entitled to insurance or condemnation proceeds, they will share such proceeds as follows: (i) the City is entitled to the result obtained by multiplying the City Loan Prorata Percentage by the available proceeds, and (ii) the County is entitled to the result obtained by multiplying the County Loan Prorata Percentage by the available proceeds.

10. Title to Property. If, as a result of having made the City Loan and the County Loan, either the City or the County is entitled to title to the Property as a consequence of

Borrower's default, then title is to be held in tenancy in common by the City and the County in accordance with their respective prorata share of the Foreclosure Net Proceeds. Subsequent decisions to hold or sell the Property will be made by joint decision of the City and the County.

11. Notices. All notices required or permitted by any provision of this Agreement must be in writing and sent by registered or certified mail, postage prepaid, return receipt requested, or delivered by express delivery service, return receipt requested, or delivered personally, to the principal office of the Parties as follows:

City:	City of Concord 1950 Parkside Dr. MS/03 Concord, CA 94519 Attn: City Manager
County:	County of Contra Costa Department of Conservation and Development 30 Muir Road Martinez, California 94553 Attention: Assistant Deputy Director
Borrower:	Galindo, L.P. c/o Resources for Community Development 2220 Oxford Street Berkeley, CA 94704 Attention: Dan Sawislak

Such written notices, demands, and communications may be sent in the same manner to such other addresses as the affected Party may from time to time designate as provided in this Section. Receipt will be deemed to have occurred on the date marked on a written receipt as the date of delivery or refusal of delivery (or attempted delivery if undeliverable).

12. Titles. Any titles of the sections or subsections of this Agreement are inserted for convenience of reference only and are to be disregarded in interpreting any part of the Agreement's provisions.

13. California Law. This Agreement is governed by the laws of the State of California.

14. Severability. If any term of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions will continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

15. Entire Agreement. This Agreement constitutes the entire understanding and agreement of the Parties with respect to the distribution of proceeds upon foreclosure or other remedies under the Deeds of Trust, and the entire understanding and agreement of the Parties with respect to the equal lien priority of the City Deed of Trust and County Deed of Trust.

16. Counterparts. This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

17. Amendments. This Agreement may not be modified except by written instrument executed by and amongst the Parties.

[signatures on following page]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

BORROWER:

GALINDO, L.P.,
a California limited partnership

By: RCD GP III LLC,
a California limited liability company,
its General Partner

By: Resources for Community
Development,
a California nonprofit public benefit
corporation,
its Sole Member/Manager

By: _____
Daniel Sawislak, Executive Director

APPROVED AS TO FORM:

MARY ANN McNETT MASON
County Counsel

By: _____
Kathleen Andrus
Deputy County Counsel

COUNTY:

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

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

APPROVED AS TO FORM:

By: _____
Susanne Mayer Brown
City Attorney

CITY:

CITY OF CONCORD, a municipal corporation

By: _____
Valerie Barone, City Manager

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 _____)

On _____, before me, _____, Notary Public, personally appeared _____, 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.

Name: _____
Notary Public

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 _____)

On _____, before me, _____, Notary Public, personally appeared _____, 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.

Name: _____
Notary Public

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 _____)

On _____, before me, _____, Notary Public, personally appeared _____, 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.

Name: _____
Notary Public

EXHIBIT A

LEGAL DESCRIPTION

Real Property in the City of Concord, County of Contra Costa, State of California, described as follows:

PARCEL A:

PARCEL ONE:

PORTION OF THE RANCHO MONTE DEL DIABLO, DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST NORTHERLY CORNER OF THE 5.249 ACRE PARCEL OF LAND DESCRIBED IN THE DEED TO PAUL I. KELLER, ET UX, RECORDED SEPTEMBER 7, 1948, BOOK 1290, OFFICIAL RECORDS, PAGE 584, THENCE FROM SAID POINT OF COMMENCEMENT, NORTH 57° 54' 10" EAST, 153.16 FEET TO THE WEST LINE OF A STATE HIGHWAY, THENCE SOUTH 13° 17' 55" EAST ALONG SAID WEST LINE 271.77 FEET TO THE ACTUAL POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL OF LAND, THENCE FROM SAID POINT OF BEGINNING SOUTH 58° 02' WEST 153.05 FEET TO THE EAST LINE OF SAID KELLER PARCEL, 1290 OR 584; THENCE SOUTH 13° 17' 55" EAST, ALONG SAID EAST LINE 40 FEET, THENCE NORTH 58° 02' EAST 153.05 FEET TO THE WEST LINE OF SAID STATE HIGHWAY, DISTANT THEREON SOUTH 13° 17' 55" EAST, 40 FEET FROM THE POINT OF BEGINNING, THENCE NORTH 13° 17' 55" WEST, 40 FEET TO THE POINT OF BEGINNING.

EXCEPTING FROM SAID PARCEL:

THAT PORTION CONVEYED TO THE CITY OF CONCORD IN DEED RECORDED FEBRUARY 10, 1969 IN BOOK 5809, PAGE 36 OF CONTRA COSTA COUNTY RECORDS.

PARCEL TWO:

PORTION OF THE RANCHO MONTE DEL DIABLO, DESCRIBED AS FOLLOWS:

BEGINNING ON THE WEST LINE OF THE STATE HIGHWAY LEADING FROM CONCORD TO WALNUT CREEK AT THE SOUTH LINE OF THE PARCEL OF LAND DESCRIBED IN THE DEED TO HARRY BURDG ET UX, RECORDED SEPT. 26, 1949, BOOK 1440, OFFICIAL RECORDS, PAGE 129, THENCE FROM SAID POINT OF BEGINNING SOUTH 58° 02' WEST ALONG SAID SOUTH LINE, 153.05 FEET TO THE SOUTHWEST CORNER OF SAID BURDG PARCEL 1440 OR 129, THENCE SOUTH 13° 17' 55" EAST, 2 FEET, THENCE NORTH 58° 02' EAST PARALLEL WITH THE SOUTH LINE OF SAID BURDG PARCEL, 1440 OR 129, 153.05 FEET TO THE WEST LINE OF SAID STATE HIGHWAY, LEADING FROM CONCORD TO WALNUT CREEK, THENCE NORTH 13° 17' 55" WEST ALONG SAID WEST LINE, 2 FEET TO THE POINT OF BEGINNING.

EXCEPTING FROM SAID PARCEL:

THAT PORTION CONVEYED TO THE CITY OF CONCORD IN DEED RECORDED FEBRUARY 10, 1969 IN BOOK 5809, PAGE 36 OF CONTRA COSTA COUNTY RECORDS.

PARCEL B:

PORTION OF THE RANCHO MONTE DEL DIABLO DESCRIBED AS:

BEGINNING ON THE WEST LINE OF THE STATE HIGHWAY LEADING FROM WALNUT CREEK TO CONCORD AT THE SOUTHEAST LINE OF THE STRIP OF LAND DESCRIBED IN THE DEED FROM L. ERVIN LEHMER, ET UX, TO HARRY BURDG, RECORDED MAY 4, 1954 (FILE NO. 22241); THENCE FROM SAID POINT OF BEGINNING SOUTH 13° 17' 55" EAST, ALONG SAID WEST LINE, 150 FEET; THENCE SOUTH 76° 42' 05" WEST, 145.31 FEET TO THE EAST LINE OF THE PARCEL OF LAND DESCRIBED AS PARCEL ONE IN THE DEED FROM L. ERVIN LEHMER, ET UX, TO PAUL L. KELLER, ET UX, RECORDED SEPTEMBER 7, 1948, IN BOOK 1290 OF OFFICIAL RECORDS, PAGE 584; THENCE ALONG SAID EAST LINE, NORTHERLY ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 535 FEET, THE CENTER OF WHICH BEARS SOUTH 78° 39' 10" WEST, AN ARC DISTANCE OF 18.22 FEET TO A POINT FROM WHICH THE CENTER OF SAID CURVE BEARS SOUTH 74° 42' 05" WEST, AND NORTH 13° 17' 55" WEST 82.64 FEET TO THE SOUTHEAST LINE OF SAID BURDG PARCEL (FILE NO. 22241); THENCE NORTH 58° 02' EAST, ALONG SAID SOUTHEAST LINE, 153.05 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM:

THAT PORTION CONVEYED TO THE CITY OF CONCORD BY FINAL ORDER OF CONDEMNATION RECORDED OCTOBER 14, 1971 IN BOOK 6497, OFFICIAL RECORDS, PAGE 97, CONTRA COSTA COUNTY RECORDS.

APN: 126-164-051-8 and 126-164-054-2