

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

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

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

FIRST MODIFICATION AGREEMENT
(Veterans Square)

THIS FIRST MODIFICATION AGREEMENT (the "Agreement") is dated January 1, 2023, and is between the COUNTY OF CONTRA COSTA, a political subdivision of the State of California (the "County"), and VETERANS SQUARE, L.P., a California limited partnership ("Borrower").

RECITALS

A. The County and Borrower entered into a Development Loan Agreement dated as of October 1, 2020, (the "Loan Agreement"), pursuant to which, the County agreed to loan Borrower Two Million Two Hundred Thousand Four Hundred Dollars (\$2,200,400) of HOME Investment Partnerships Act funds received by the County from the United States Department of Housing and Urban Development ("HUD") pursuant to the Cranston-Gonzales National Housing Act of 1990 (the "HOME Loan"), for the acquisition of certain real property located at 901 Los Medanos Street and 295 East 10th Street, in the City of Pittsburgh, County of Contra Costa as more particularly described on Exhibit A attached hereto and incorporated herein (the "Property") and construction of the Improvements thereon. Capitalized terms used in this Agreement and not amended or newly defined below, have the same meaning as set forth in the Loan Agreement.

B. The HOME Loan is evidenced by the following documents: (i) a Promissory Note executed by Borrower in favor of the County dated October 1, 2020 (the "HOME Note"), (ii) a HOME Regulatory Agreement and Declaration of Restrictive Covenants between the County and Borrower dated October 1, 2020, and recorded October 20, 2020, against the Property as Instrument No. 2020-0243185 in the official records of Contra Costa County (the "HOME Regulatory Agreement"), (iii) a County Regulatory Agreement and Declaration of Restrictive Covenants between the County and the Borrower dated October 1, 2020, and recorded October 20, 2020, against the Property as Instrument No. 2020-0243184 in the official records of Contra Costa County (the "County Regulatory Agreement"), (iv) a Subordination and Intercreditor Agreement dated October 1, 2020, and recorded October 20, 2020, against the Property as Instrument No. 2020-0243198 in the official records of Contra Costa County entered into by and among the Housing Authority, the County, and Borrower (the "Intercreditor Agreement"), and

(v) secured by a Deed of Trust with Assignment of Rents, Security Agreement, and Fixture Filing dated October 1, 2020, and recorded October 20, 2020, against the Property as Instrument No. 2020-0243186 in the official records of Contra Costa County (the "Deed of Trust").

C. The County has approved an additional Four Hundred Thousand Dollars (\$400,000) to be loaned to Borrower (the "Loan Increase") for a total loan of Two Million Six Hundred Thousand Four Hundred Dollars (\$2,600,400).

D. The Loan Increase will be funded from Housing Opportunities for Persons with AIDS Program funds ("HOPWA Funds") 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.).

E. With this Agreement, the County and Borrower are modifying the Loan Agreement, the HOME Regulatory Agreement, the County Regulatory Agreement, and the Deed of Trust to reflect the Loan Increase. Concurrently with this Agreement, the County will amend the Intercreditor Agreement, and the Loan Increase will be further evidenced by a promissory note of even date herewith in the amount of the Loan Increase executed by Borrower in favor of the County, and a HOPWA Regulatory Agreement and Declaration of Restrictive Covenants between the County and Borrower dated as of the date herewith and recorded against the Property in the official records of Contra Costa County.

The parties therefore agree as follows:

1. **Amendment of Loan Agreement.** The Loan Agreement is hereby amended as follows:

a. HOPWA Funds. Recital B of the Loan Agreement is deleted in its entirety and replaced with the following:

"B. The County has received Home Investment Partnerships Act funds in the amount of Two Million Two Hundred Thousand Four Hundred Dollars (\$2,200,400), from the United States Department of Housing and Urban Development ("HUD") pursuant to the Cranston-Gonzales National Housing Act of 1990 ("HOME Funds"). The HOME Funds must be used by the County in accordance with 24 C.F.R. Part 92 (the "HOME Regulations"). The County has received Housing Opportunities for Persons with AIDS Program funds in the amount of Four Hundred Thousand (\$400,000), from HUD pursuant to the HOPWA Program ("HOPWA Funds"). The HOPWA Funds are available to be administered by the County, as a subrecipient of the City of Oakland, which is the representative for the Alameda-Contra Costa County Eligible Metropolitan Area. The HOPWA Funds must be used by the County in accordance with 24 C.F.R. Section 574 et seq (the "HOPWA Regulations")."

b. County Loan Amount. Recital D of the Loan Agreement is deleted in its entirety and replaced with the following:

"D. Borrower desires to borrow from the County Two Million Two Hundred Thousand Four Hundred Dollars (\$2,200,400) of HOME Funds and Four Hundred Thousand Dollars (\$400,000) of HOPWA Funds for a total loan amount of Two Million Six Hundred Thousand Four Hundred Dollars (\$2,600,400) (the "Loan")."

c. HOPWA-Assisted Units. Recital G of the Loan Agreement is deleted in its entirety and replaced with the following:

"G. The HOME Funds portion of the Loan is being made to finance acquisition and construction costs of the Development. The HOPWA Funds portion of the Loan is being made as permanent financing for the Development. Construction of the Development is intended to maintain the supply of affordable rental housing in Contra Costa County. Due to the assistance provided Borrower through the Loan, the County is designating fourteen (14) units as HOME-assisted units (the "HOME-Assisted Units") and two (2) units as HOPWA-assisted units (the "HOPWA-Assisted Units"). The HOPWA-Assisted Units overlap with the HOME-Assisted Units.

d. County Regulatory Agreement. Section 1.1(y) of the Loan Agreement is deleted in its entirety and replaced with the following:

"(y) "County Regulatory Agreement" means the Regulatory Agreement and Declaration of Restrictive Covenants between the County and Borrower, dated October 1, 2020, and recorded October 20,2020, against the Property as Instrument No. 2020-0243184 in the official records of Contra Costa County as amended by a First Modification Agreement executed by the County and Borrower, dated as of December 1, 2022, evidencing County requirements applicable to the Loan."

e. Deed of Trust. Section 1.1(z) of the Loan Agreement is deleted in its entirety and replaced with the following:

"(z) "Deed of Trust" means the Deed of Trust with Assignment of Rents, Security Agreement, and Fixture Filing among Borrower, as trustor, Old Republic Title Company, as trustee, and the County, as beneficiary, dated October 1, 2020, and recorded October 20, 2020, against the Property as Instrument No. 2020-0243186 in the official records of Contra Costa County, as amended by a First Modification Agreement executed by the County and Borrower, dated as of December 1, 2022, that encumbers the Property to secure repayment of the Loan and performance of the covenants of the Loan Documents."

f. HOME Definitions. The following new HOME definitions are added to Section 1.1 of the Loan Agreement:

i. "'HOME Loan" means the Two Million Two Hundred Thousand Four Hundred Dollars (\$2,200,400) of HOME Funds loaned to Borrower by the County."

ii. "'HOME Note" means the promissory note dated as of October 1, 2020 that evidences Borrower's obligation to repay the Home Loan."

g. HOME Regulatory Agreement. Section 1.1(rr) of the Loan Agreement is deleted in its entirety and replaced with the following:

"(rr) "HOME Regulatory Agreement" means the Regulatory Agreement and Declaration of Restrictive Covenants between the County and Borrower, dated October 1, 2020, and recorded October 20,2020, against the Property as Instrument No. 2020-0243185 in the official records of Contra Costa County as amended by a First Modification Agreement executed by the County and Borrower, dated as of December 1, 2022, evidencing HUD requirements applicable to the Loan."

h. HOPWA Definitions. The following HOPWA definitions are added to Section 1.1 of the Loan Agreement:

i. "'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.)."

ii. "'HOPWA-Assisted Units" has the meaning set forth in Paragraph G of the Recitals."

iii. "'HOPWA Eligible Household" means a household that includes at least one person with HIV/AIDS."

iv. "'HOPWA Funds" has the meaning set forth in Paragraph B of the Recitals."

v. "'HOPWA Loan" means the Four Hundred Thousand Dollars (\$400,000) of HOPWA Funds loaned to Borrower by the County."

vi. "'HOPWA Note" means the promissory note dated December 1, 2022 that evidences Borrower's obligation to repay the HOPWA Loan."

vii. "'HOPWA Regulations" has the meaning set forth in Paragraph B of the Recitals."

viii. "'HOPWA Regulatory Agreement" means the Regulatory Agreement and Declaration of Restrictive Covenants dated as of December 1,

2022, between the County and Borrower evidencing HUD requirements applicable to the Loan, to be recorded against the Property."

i. Intercreditor Agreement. Section 1.1(zz) of the Loan Agreement is deleted in its entirety and replaced with the following:

"(zz) "Intercreditor Agreement" means that certain Subordination and Intercreditor Agreement by and among the Housing Authority, the County, and Borrower related to the Loan and the Housing Authority Loan dated October 1, 2020, and recorded October 20, 2020, against the Property as Instrument No. 2020-0243198 in the official records of Contra Costa County, as amended by a First Amendment to Subordination and Intercreditor Agreement executed by the County, the Housing Authority and Borrower, dated as of December 1, 2022, to be recorded against the Property.

j. Loan Documents. Section 1.1(ddd) of the Loan Agreement is deleted in its entirety and replaced with the following:

"(ddd) "Loan Documents" means this Agreement, the Notes, the Regulatory Agreements, the Intercreditor Agreement, and the Deed of Trust, as each may be amended or restated."

k. Notes. Each reference to "Note" in the Loan Agreement is deleted and replaced with reference to "Notes." Section 1.1(iii) of the Loan Agreement is deleted in its entirety and replaced with the following:

"(iii) "Notes" means the HOME Note and the HOPWA Note."

l. Regulatory Agreements. Section 1.1(sss) of the Loan Agreement is deleted in its entirety and replaced with the following:

"(sss) "Regulatory Agreements" means the County Regulatory Agreement, the HOME Regulatory Agreement, and the HOPWA Regulatory Agreement."

m. Use of Loan Funds. Section 2.3(a) is deleted in its entirety and replaced with the following:

"(a) Borrower shall use the HOME Loan for closing costs, permits, fees, and construction costs, and the HOPWA Loan for permanent costs, consistent with the Approved Development Budget. Use of the HOME Loan for reimbursement of costs incurred prior to the date of this Agreement is subject to Section 92.206(d)(1) of the HOME Regulations."

n. Conditions Precedent to Disbursement of HOPWA Funds. In addition to the conditions set forth in Section 2.6 of the Loan Agreement, the County shall not be

obligated to make any disbursement of the HOPWA Funds unless the following conditions precedent have been satisfied:

i. Borrower has executed the HOPWA Note, the HOPWA Regulatory Agreement, and this Agreement; and

ii. The HOPWA Regulatory Agreement and this Agreement have been recorded against the Property in the official records of Contra Costa County.

iii. A title insurer reasonably acceptable to the County is unconditionally and irrevocably committed to issuing modification endorsements to the County's ALTA Lender's Policy of insurance insuring the continued priority of the Deed of Trust in the amount of Two Million Six Hundred Thousand Four Hundred Dollars (\$2,600,400).

o. Approved Development Budget. Exhibit B attached to the Loan Agreement is deleted in its entirety and replaced with the Development Budget attached as Exhibit B to this Agreement.

2. **Amendment of Deed of Trust**. The Deed of Trust is hereby amended as follows:

a. Section 1.2 of the Deed of Trust is deleted in its entirety and replaced with the following:

"Section 1.2 The term "Intercreditor Agreement" means that certain Subordination and Intercreditor Agreement of even date herewith, among Trustor, Beneficiary, and the Housing Authority of the City of Pittsburg, dated as of October 1, 2020 and recorded on October 20, 2020 as Instrument No. No. 2020-0243198 in the official records of Contra Costa County, as amended by a First Amendment to Subordination and Intercreditor Agreement dated as of December 1, 2022, and recorded in the official records of Contra Costa County."

b. Section 1.3 of the Deed of Trust is deleted in its entirety and replaced with the following:

"Section 1.3 The term "Loan" means the loan made by Beneficiary to Trustor in the amount of Two Million Six Hundred Thousand Four Hundred Dollars (\$2,600,400).

c. Section 1.4 of the Deed of Trust is deleted in its entirety and replaced with the following:

"Section 1.4 The term "Loan Agreement" means that certain Development Loan Agreement between Trustor and Beneficiary, dated as of October 1, 2020, as amended by a First Modification Agreement dated December 1, 2022, as such may be further amended from time to time, providing for the Beneficiary to loan to Trustor the Loan. This Deed of Trust is subject to the terms

and limitations set forth in the Loan Agreement. In the event of a conflict between the terms of this Deed of Trust and the terms of the Loan Agreement, the terms of the Loan Agreement shall control and supersede."

d. Section 1.6 of the Deed of Trust is deleted in its entirety and replaced with the following:

"Section 1.6 The term "Note" means collectively, the promissory note in the amount of Two Million Two Hundred Thousand Four Hundred Dollars (\$2,200,400) and the promissory note in the amount of Four Hundred Thousand Dollars (\$400,000), executed by Trustor in favor of Beneficiary, as they may be amended or restated, the payment of which is secured by this Deed of Trust. The terms and provisions of the Note are incorporated herein by reference."

e. Section 1.8 of the Deed of Trust is deleted in its entirety and replaced with the following:

"Section 1.8 The term "Regulatory Agreement" means collectively, the following documents by and between Beneficiary and Trustor: (i) HOME Regulatory Agreement and Declaration of Restrictive Covenants dated October 1, 2020, and recorded October 20, 2020, against the Property as Instrument No. 2020-0243185 in the official records of Contra Costa County, (ii) County Regulatory Agreement and Declaration of Restrictive Covenants dated October 1, 2020, and recorded October 20, 2020, against the Property as Instrument No. 2020-0243184 in the official records of Contra Costa County, and (iii) HOPWA Regulatory Agreement and Declaration of Restrictive Covenants dated December 1, 2022, and recorded against the Property concurrently herewith."

3. **Amendment of County Regulatory Agreement.** The County Regulatory Agreement is hereby amended as follows:

a. **HOPWA Funds.** Recital B of the County Regulatory Agreement is deleted in its entirety and replaced with the following:

"B. The County has received Home Investment Partnerships Act funds in the amount of Two Million Two Hundred Thousand Four Hundred Dollars (\$2,200,400), from the United States Department of Housing and Urban Development ("HUD") pursuant to the Cranston-Gonzales National Housing Act of 1990 ("HOME Funds"). The HOME Funds must be used by the County in accordance with 24 C.F.R. Part 92. The County has received Housing Opportunities for Persons with AIDS Program funds in the amount of Four Hundred Thousand (\$400,000), from HUD pursuant to the HOPWA Program ("HOPWA Funds"). The HOPWA Funds are available to be administered by the County, as a subrecipient of the City of Oakland, which is the representative for the Alameda-Contra Costa County Eligible Metropolitan Area. The HOPWA

Funds must be used by the County in accordance with 24 C.F.R. Section 574 et seq."

b. County Loan Amount. Recital D of the County Regulatory Agreement is deleted in its entirety and replaced with the following:

"D. Pursuant to a Development Loan Agreement dated October 1, 2020, between County and Borrower as amended by a First Modification Agreement, as such may be further amended from time to time (the "Loan Agreement"), the County is lending Borrower Two Million Two Hundred Thousand Four Hundred Dollars (\$2,200,400) of HOME Funds and Four Hundred Thousand Dollars (\$400,000) of HOPWA Funds, totaling Two Million Six Hundred Thousand Four Hundred Dollars (\$2,600,400) (the "County Loan") to assist in the construction of the Development. The HOME Funds have been set aside for entities designated as a Community Housing Development Organization ("CHDO") as defined in 24 C.F.R. 92.2."

c. Loan Documents. Recital E of the County Regulatory Agreement is deleted in its entirety and replaced with the following:

"E. In addition to this County Regulatory Agreement and the Loan Agreement, the County Loan is evidenced by the following documents: (i) a deed of trust with assignment of rents, security agreement, and fixture filing dated October 1, 2020, as may be amended, among Borrower, as trustor, Old Republic Title Company, as trustee, and the County, as beneficiary; (ii) an intercreditor agreement dated October 1, 2020, as may be amended, among the Housing Authority of the City of Pittsburg, the County, and Borrower; (iii) a promissory note executed by Borrower dated October 1, 2020 in the amount of the loan of HOME Funds; (iv) a promissory note executed by Borrower dated December 1, 2022, in the amount of the loan of HOPWA Funds, (v) the HOME Regulatory Agreement, dated October 1, 2020, as may be amended; and (vi) the HOPWA Regulatory Agreement dated December 1, 2022, as may be amended, (collectively, the "Loan Documents"). The Loan Documents are described in more detail in the Loan Agreement."

d. Regulatory Agreements. Recital H of the County Regulatory Agreement is deleted in its entirety and replaced with the following:

"H. As it applies to the County-Assisted Units this County Regulatory Agreement will be in effect for the Term. The HOPWA Regulatory Agreement as it applies to the HOPWA-Assisted Units will be in effect for the HOPWA Term and the Remainder Term. The HOME Regulatory Agreement as it applies to the HOME-Assisted Units will be in effect for the HOME Term. Pursuant to Section 6.16 below, compliance with the terms of the HOME Regulatory Agreement will be deemed compliance with this County Regulatory Agreement during the HOME Term, and compliance with the HOPWA Regulatory Agreement during the

HOPWA Term and Remainder Term will be deemed compliance with this County Regulatory Agreement."

e. HOME-Assisted Units. The following definition is added to Section 1.1 of the County Regulatory Agreement:

"HOME-Assisted Units" means the fourteen (14) units governed by the HOME Regulatory Agreement during the HOME Term."

f. HOPWA Definitions. The following HOPWA definitions are added to Section 1.1 of the County Regulatory Agreement:

i. "HOPWA-Assisted Units" means the two (2) units governed by the HOPWA Regulatory Agreement which units overlap with the fourteen (14) HOME-Assisted Units."

iii. "HOPWA Funds" has the meaning set forth in Paragraph B of the Recitals.

iv. "HOPWA Regulatory Agreement" means the HOPWA Regulatory Agreement and Declaration of Restrictive Covenants dated December 1, 2022, between the County and Borrower evidencing County requirements applicable to the HOPWA Funds, to be recorded against the Property.

v. "HOPWA Term" means the period of time that commences on the date of this HOPWA Regulatory Agreement and expires on the tenth (10th) anniversary of the Completion Date, unless earlier terminated pursuant to Section 2.5 of the HOPWA Regulatory Agreement; provided, however, if a record of the Completion Date cannot be located or established, the HOPWA Term will expire on the twelfth (12th) anniversary of the HOPWA Regulatory Agreement.

vi. "Remainder Term" means the period that begins on the date the HOPWA Term expires or is terminated by the County pursuant to Section 2.5 of the HOPWA Regulatory Agreement, and ends on the last day of the HOME Term.

g. Compliance with Regulatory Agreements. Section 6.16 of the County Regulatory Agreement is deleted in its entirety and replaced with the following:

"6.16 County Regulatory Agreement. The County and Borrower are entering into this County Regulatory Agreement concurrently with the HOME Regulatory Agreement. This County Regulatory Agreement applies to all the County-Assisted Units including the HOME-Assisted Units and the HOPWA-Assisted Units. The HOME Regulatory Agreement includes HOME requirements applicable to the use of HOME Funds and will be in effect for the HOME Term. The HOPWA Regulatory Agreement includes HOPWA requirements applicable to the use of HOPWA Funds and will be in effect for the HOPWA Term and

Remainder Term. Compliance with the terms of the HOME Regulatory Agreement will be deemed compliance with this County Regulatory Agreement during the HOME Term. Compliance with the terms of the HOPWA Regulatory Agreement will be deemed compliance with this County Regulatory Agreement during the HOPWA Term and the Remainder Term. In the event of a conflict between the HOME Regulatory Agreement and this County Regulatory Agreement during the HOME Term, the terms of the HOME Regulatory Agreement will prevail. In the event of a conflict between the HOPWA Regulatory Agreement and this County Regulatory Agreement during the HOPWA Term and the Remainder Term, the terms of the HOPWA Regulatory Agreement will prevail."

4. **Amendment of HOME Regulatory Agreement.** The HOME Regulatory Agreement is hereby amended as follows:

a. **HOPWA Funds.** Recital B of the HOME Regulatory Agreement is deleted in its entirety and replaced with the following:

"B. The County has received Home Investment Partnerships Act funds in the amount of Two Million Two Hundred Thousand Four Hundred Dollars (\$2,200,400), from the United States Department of Housing and Urban Development ("HUD") pursuant to the Cranston-Gonzales National Housing Act of 1990 ("HOME Funds"). The HOME Funds must be used by the County in accordance with 24 C.F.R. Part 92. The County has received Housing Opportunities for Persons with AIDS Program funds in the amount of Four Hundred Thousand (\$400,000), from HUD pursuant to the HOPWA Program ("HOPWA Funds"). The HOPWA Funds are available to be administered by the County, as a subrecipient of the City of Oakland, which is the representative for the Alameda-Contra Costa County Eligible Metropolitan Area. The HOPWA Funds must be used by the County in accordance with 24 C.F.R. Section 574 et seq."

b. **County Loan Amount.** Recital D of the HOME Regulatory Agreement is deleted in its entirety and replaced with the following:

"D. Pursuant to a Development Loan Agreement dated October 1, 2020 between County and Borrower as amended by a First Modification Agreement dated December 1, 2022 as such may be further amended from time to time (the "Loan Agreement"), the County is lending Borrower Two Million Two Hundred Thousand Four Hundred Dollars (\$2,200,400) of HOME Funds and Four Hundred Thousand Dollars (\$400,000) of HOPWA Funds, totaling Two Million Six Hundred Thousand Four Hundred Dollars (\$2,600,400) (the "County Loan") to assist in the construction of the Development. The HOME Funds have been set aside for entities designated as a Community Housing Development Organization ("CHDO") as defined in 24 C.F.R. 92.2."

c. Loan Documents. Recital E of the HOME Regulatory Agreement is deleted in its entirety and replaced with the following:

"E. In addition to this HOME Regulatory Agreement and the Loan Agreement, the County Loan is evidenced by the following documents: (i) a deed of trust with assignment of rents, security agreement, and fixture filing dated October 1, 2020, as may be amended, among Borrower, as trustor, Old Republic Title Company, as trustee, and the County, as beneficiary; (ii) an intercreditor agreement dated October 1, 2020, as may be amended, among the Housing Authority of the City of Pittsburg, the County, and Borrower; (iii) a promissory note executed by Borrower dated October 1, 2020 in the amount of the loan of HOME Funds; (iv) a promissory note executed by Borrower dated December 1, 2022, in the amount of the loan of HOPWA Funds, (v) the County Regulatory Agreement, as may be amended; and (vi) a regulatory agreement and declaration of restrictive covenants dated December 1, 2022, as may be amended, between the County and Borrower evidencing HOPWA Funds program requirements applicable to the County Loan, (collectively, the "Loan Documents"). The Loan Documents are described in more detail in the Loan Agreement."

5. Acknowledgement of Subordination. The County acknowledges that the lien of the Deed of Trust remains subordinate to the lien evidencing a loan from JP Morgan Chase Bank, N.A. to Borrower in the approximate amount of \$12,895,177 as set forth in that certain Subordination Agreement by and among Borrower, County, JP Morgan Chase Bank, N.A. dated as of October 1, 2020, and recorded in the official records of Contra Costa County as Instrument No. 2020-0243191 on October 20, 2020, and to the lien evidencing a loan from Housing Trust Silicon Valley to Borrower in the amount of \$1,331,000 as set forth in that certain Subordination Agreement by and among Borrower, County, JP Morgan Chase Bank, N.A. dated as of October 1, 2020 and recorded in the official records of Contra Costa County as Instrument No. 2020-0243195 on October 20, 2020.

6. Full Force and Effect. Except as set forth in this Agreement, the Loan Agreement, the County Regulatory Agreement, and the HOME Regulatory Agreement, and the Deed of Trust remain unmodified and are in full force and effect.

7. Counterparts. This Agreement 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]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day first above written.

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:

Thomas L. Geiger
Chief Assistant County Counsel

By: _____
Kathleen Andrus
Deputy County Counsel

BORROWER:

VETERANS SQUARE, L.P.,
a California limited partnership

By: Veterans Square LLC,
a California limited liability company,
its general partner

By: Satellite Affordable Housing Associates,
a California nonprofit public benefit
corporation, its manager

By: _____
Susan Friedland,
Chief Executive Officer

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 of the Property

The land referred to is situated in the County of Contra Costa, City of Pittsburg, State of California, and is described as follows:

Parcel One:

Lots 1, 2, 15 and 16 Block 79, Map of Resubdivision of Block 79, City of Pittsburg, filed May 18, 1926 in Map Book 19, Page 504, Contra Costa County Records.

APN: 085-182-001

Parcel Two:

Lots 8 and 9, Block 78, as delineated upon the certain Map entitled "Official Map of the City of Pittsburg", filed March 23, 1914, Contra Costa County Records.

APN: 085-196-001

EXHIBIT B

Approved Development Budget