

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

(Pinole Housing)

This Intercreditor Agreement (the "Agreement") is dated May 1, 2023, and is among the City of Pinole, a municipal corporation (the "City"), the County of Contra Costa, a political subdivision of the State of California (the "County"), and Pinole Housing, 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 811 San Pablo Avenue in the City of Pinole, County of Contra Costa, State of California, as more particularly described in Exhibit A (the "Property"). Borrower intends to construct thirty-three (33) housing units on the Property, thirty-two (32) of which are for rental to extremely low, very low and low income 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 lending Borrower Two Million Six Hundred Thirty-Six Thousand Two Hundred Eighty Dollars (\$2,636,280) funded using Home Investment Partnerships Act funds received from HUD pursuant to the Cranston-Gonzales National Housing Act of 1990 (the "County Loan").

D. The County Loan is evidenced by the following documents dated of even date herewith (among others): (i) a Development Loan Agreement between the County and Borrower (the "County Loan Agreement"); (ii) a promissory note executed by Borrower for the benefit of the County in the amount of the County Loan (the "County Note"); and (iii) a 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, recorded against the Property concurrently herewith (the "County Deed of Trust").

E. Concurrently herewith the City is lending to Borrower Four Million Three Hundred Eighty Thousand Dollars (\$4,380,000) (the "City Loan").

F. The City Loan is evidenced by the following documents dated of even date herewith (among others): (i) a loan agreement between the City and Borrower (the "City Loan Agreement"); (ii) a deed of trust (the "City Deed of Trust"); and (iii) a 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 and the Local 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) "Annual City Loan Payment" has the meaning in Section 2(b).
 - (b) "Annual County Loan Payment" has the meaning in Section 2(a).
 - (c) "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 Approved Financing;
 - 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. fees paid to the Issuer;
 - v. payment to HCD of a portion of the accrued interest on the VHHP HCD Loan pursuant to California Code of Regulations, Title 25, Section 7308;
 - vi. 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;

- vii. the Partnership/Asset Fee;
- viii. 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/Asset Fee;
- ix. premiums for insurance required for the Improvements to satisfy the requirements of any lender of Approved Financing;
- x. utility services not paid for directly by tenants, including water, sewer, and trash collection;
- xi. maintenance and repair expenses and services;
- xii. any annual license or certificate of occupancy fees required for operation of the Development;
- xiii. security services;
- xiv. advertising and marketing;
- xv. cash deposited into the Replacement Reserve Account in the amount set forth in Section 4.2(a) of the County Loan Agreement;
- xvi. 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);
- xvii. payment of any previously unpaid portion of Priority Portion of Developer Fee (without interest), not to exceed the amount set forth in Section 3.18 of the County Loan Agreement;
- xviii. extraordinary operating costs specifically approved in writing by the County and the City;
- xix. the HOME Monitoring Fee; and
- xx. 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.

(d) "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 acquisition of the Property and the construction of the Development in addition to the County Loan and the City Loan:

i. multi-family housing revenue tax-exempt bonds in the approximate amount of Fifteen Million Two Hundred Ninety-Five Thousand Seven Hundred Twenty-Three Dollars (\$15,295,723) issued by California Municipal Finance Authority (the "Issuer") that are purchased by the Bank and the sale proceeds of which are loaned to Borrower (the "Bank Tax-Exempt Construction Loan");

ii. multi-family housing revenue taxable bonds in the approximate amount of Two Million One Hundred Fifty Thousand Four Hundred Thirty-Eight Dollars (\$2,150,438) issued by the Issuer that are purchased by the Bank and the sale proceeds of which are loaned to Borrower (the "Bank Taxable Construction Loan");

iii. permanent loan of Veterans Housing and Homelessness Prevention program ("VHHP") funds from the California Department of Housing and Community Development ("HCD") in the approximate amount of Seven Million Eight Hundred Forty-Eight Thousand One Hundred Twenty Dollars (\$7,848,120) (the "VHHP HCD Loan");

iv. Infill Infrastructure Grant funds from HCD in the amount of One Million Six Hundred Seventy-Two Thousand Four Hundred Eighty-Eight Dollars (\$1,672,488) ("IIG Funds"), to be loaned by SAHA to the Partnership (the "IIG Sponsor Loan");

v. Loan of Home Depot Veterans Grant Program funds to be granted by the Home Depot Foundation to SAHA and loaned by SAHA to the Partnership in the amount of Four Hundred Thousand Dollars (\$400,000) (the "Home Depot Sponsor Loan");

vi. Low Income Housing Tax Credit investor equity funds in the approximate amount of Fourteen Million Seven Hundred Forty-Six Thousand Eight Hundred Ninety-Five Dollars (\$14,746,895) (the "Tax Credit Investor Equity") provided by the Investor Limited Partner; and

vii. capital contribution from Borrower's general partner in the approximate amount of One Million Three Hundred Four Thousand Eighty-Nine Dollars (\$1,304,089) (the "GP Capital Contribution").

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

(f) "Bank" means JPMorgan Chase Bank, N.A., and its successors and assigns.

(g) "Bank Taxable Construction Loan" has the meaning set forth in Section 1.1(d)(ii).

(h) "Bank Tax-Exempt Construction Loan" has the meaning set forth in Section 1.1(d)(i).

(i) "Borrower" has the meaning set forth in the first paragraph of this Agreement.

(j) "City" has the meaning set forth in the first paragraph of this Agreement.

(k) "City Additional Prorata Share" means the result obtained by dividing the City Loan by the sum of the County Loan and the City Loan, to the extent all such funds are disbursed.

(l) "City Deed of Trust" has the meaning set forth in Paragraph F of the Recitals.

(m) "City Loan" has the meaning set forth in Paragraph E of the Recitals.

(n) "City Loan Prorata Percentage" means the result, expressed as a percentage, obtained by dividing the City Loan minus any Special City Loan Repayment by the sum of (i) the County Loan minus any Special County Loan Repayment, (ii) the City Loan minus any Special City Loan Repayment, (iii) the VHHP HCD Loan, and (iv) the IIG Funds, to the extent all such loan funds are disbursed.

(o) "City Note" has the meaning set forth in Paragraph F of the Recitals.

(p) "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.

(q) "County" has the meaning set forth in the first paragraph of this Agreement.

(r) "County Additional Prorata Share" means the result obtained by dividing the County Loan by the sum of the County Loan and the City Loan, to the extent all such funds are disbursed.

(s) "County Deed of Trust" has the meaning set forth in Paragraph D of the Recitals.

(t) "County Loan" has the meaning set forth in Paragraph C of the Recitals.

(u) "County Loan Agreement" has the meaning set forth in Paragraph D of the Recitals.

(v) "County Loan Prorata Percentage" means the result, expressed as a percentage, obtained by dividing the County Loan minus any Special County Loan Repayment by the sum of (i) the County Loan minus any Special County Loan Repayment, (ii) the City Loan minus any Special City Loan Repayment, (iii) the VHHP HCD Loan, and (iv) the IIG Funds, to the extent all such loan funds are disbursed.

(w) "County Note" has the meaning set forth in Paragraph D of the Recitals.

- (x) "Deeds of Trust" has the meaning set forth in Paragraph G of the Recitals.
- (y) "Default Rate" means a rate of interest equal to the lesser of the maximum rate permitted by law and ten percent (10%) per annum.
- (z) "Development" has the meaning set forth in Paragraph B of the Recitals.
- (aa) "Enforcing Party" has the meaning set forth in Section 6(b).
- (bb) "Fifteen Year Compliance Period" means the fifteen (15) year compliance period as described in Section 42(i)(1) of the Internal Revenue Code of 1986, as amended.
- (cc) "Final Cost Certification" means the Final Cost Certification Sources and Uses of Funds prepared by Borrower for the Development that (1) Borrower submits to the California Tax Credit Allocation Committee, and (2) has been prepared using generally accepted accounting standards in effect in the United States of America from time to time, consistently applied.
- (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) "GP Capital Contribution" has the meaning set forth in Section 1(d)(vii).
- (gg) "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 and 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.

(hh) "HCD" has the meaning set forth in Section 1(d)(iii).

(ii) "Home Depot Sponsor Loan" has the meaning set forth in Section 1.1(d)(v).

(jj) "HOME Monitoring Fee" has the meaning set forth in Section 3.20 of the County Loan Agreement.

(kk) "HUD" means the United States Department of Housing and Urban Development.

(ll) "IIG Funds" has the meaning set forth in Section 1(d)(iv).

(mm) "IIG Sponsor Loan" has the meaning set forth in Section 1(d)(iv).

(nn) "Improvements" has the meaning set forth in Paragraph B of the Recitals.

(oo) "Investor Limited Partner" means RJ MT Pinole Housing L.L.C., a Florida limited liability company, and its permitted successors and assigns.

(pp) "Issuer" has the meaning set forth in Section 1.1(d)(i).

(qq) "Lenders' Share of Residual Receipts" means fifty percent (50%) of Residual Receipts.

(rr) "Local Lenders" means the County and the City.

(ss) "Local Lenders' Share of Residual Receipts" means twenty-five percent (25%) of Residual Receipts.

(tt) "Net Proceeds of Permanent Financing" means the amount by which Permanent Financing exceeds the Final Development Costs.

(uu) "Partnership Agreement" means the agreement between Borrower's general partner and the Investor Limited Partner that governs the operation and organization of Borrower as a California limited partnership.

(vv) "Partnership/Asset Fee" means: (i) partnership management fees (including any asset management fees) payable pursuant to the Partnership Agreement to any partner or affiliate of Borrower or any affiliate of a partner of Borrower, if any, during the Fifteen Year Compliance Period; and (ii) after the expiration of the Fifteen Year Compliance

Period, asset management fees payable to the partners of Borrower, in the amounts approved by the County as set forth in Section 3.19 of the County Loan Agreement.

(ww) "Permanent Closing" means the date the Bank Tax-Exempt Construction Loan and Bank Taxable Construction Loan are paid off in full.

(xx) "Permanent Financing" means the sum of the following amounts: (i) the County Loan; (ii) the City Loan; (iii) the VHHP HCD Loan; (iv) the IIG Sponsor Loan; (v) the Home Depot Sponsor Loan; (vi) the Tax Credit Investor Equity; and (vii) the GP Capital Contribution.

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

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

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

(bbb) "SAHA" means Satellite Affordable Housing Associates, a California nonprofit public benefit corporation.

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

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

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

(fff) "Tax Credit Investor Equity" has the meaning set forth in Section 1.1(d)(vi).

(ggg)"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.

(hhh) "VHHP" has the meaning set forth in Section 1.1(d)(iii).

(iii) "VHHP HCD Loan" has the meaning set forth in Section 1.1(d)(iii).

2. Annual Payments to County and City.

(a) County Loan.

i. Commencing on May 15, 2025, and on May 15 of each year thereafter during the Term, Borrower shall make a loan payment to the County of the County Loan in an amount equal to the sum of (1) the County Loan Prorata Percentage of the Lenders' Share of Residual Receipts and (2) the result obtained by multiplying the County Additional

Prorata Share by the Local Lenders' Share of Residual Receipts (each such payment, an "Annual County Loan Payment"). The County shall apply all Annual County Loan Payments to the County 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 Note. 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 Note 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 May 15, 2025, and on May 15 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 result obtained by multiplying the City Additional Prorata Share by the Local Lenders' 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, if any, and (2) second, to principal for the City Loan.

ii. Borrower shall repay the City Loan pursuant to the terms of the City Loan Agreement and the City Note. In the event of any conflict between the repayment terms of the City Loan Agreement, 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 Loan Agreement or 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 VHHP HCD Loan, no later than ten (10) days after the date Borrower receives its final capital contribution from the Investor Limited Partner, Borrower shall pay to the County as a special repayment of the County Loan, an amount equal to the result obtained by multiplying the County Additional Prorata Share by the Available Net Proceeds (the "Special County Loan Payment").

(b) To the extent consistent with the regulations applicable to the VHHP HCD Loan, no later than ten (10) days after the date Borrower receives its final capital contribution from the Investor Limited Partner, 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 Share 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 Lenders' Share of Residual Receipts and Local Lenders' 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 Lenders' Share of Residual Receipts and Local Lenders' 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) Neither the City nor the may make a demand for payment from Borrower or accelerate the City Note or the County Note, 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 one 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 Pinole
2131 Pear Street
Pinole, CA 94564
Attention: City Manager

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

Borrower: Pinole Housing, L.P.
c/o Satellite Affordable Housing Associates
1835 Alcatraz Avenue
Berkeley, CA 94703
Attention: Chief Executive Officer

With a copy to: Gubb & Barshay LLP
235 Montgomery Street, Suite 1110
San Francisco, CA 94104
Attention: Erica Williams Orcharton

Investor Limited
Partner: RJ MT Pinole Housing L.L.C.

c/o Raymond James Affordable Housing Investments,
Inc.
880 Carillon Parkway
St. Petersburg, Florida 33716
Facsimile No.: 727-567-8455
Attention: Steven J. Kropf, President
Email Address: Steve.Kropf@RaymondJames.com

with a copy to: Nixon Peabody LLP
Exchange Place
53 State Street
Boston, MA 02109
Attn: Nathan A. Bernard
Email Address: nbernard@nixonpeabody.com

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 subject matter hereof.

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:

PINOLE HOUSING, L.P.,
a California limited partnership

By: Pinole Housing LLC,
a California limited liability company,
its general partner

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

By: _____
Susan Friedland,
Chief Executive Officer

APPROVED AS TO FORM:

THOMAS L. GEIGER
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

Signatures continue on following page

ATTEST:

By: _____
_____, City Clerk

CITY:

CITY OF PINOLE, a municipal corporation

By: _____
_____, City Manager

APPROVED AS TO FORM:

By: _____
_____,
City Attorney

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

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

PARCEL ONE:

Portion Lot "C", Map of Dohrmann Ranch, filed December 21, 1895, Map Book "E", Page 115, Contra Costa County Records, described as follows:

Beginning on the South line of San Pablo Avenue, at the West line of the parcel of land described in the Deed to Claude C. Orr, recorded November 29, 1946, Book 964 Official Records, Page 391; thence from said point of beginning along the West and South lines of said Orr Parcel, South 9° 37' West, 129.31 feet and South 80° 23' East, 4 feet; thence South 9° 37' West, 35.90 feet to the Northwest corner of Lot 35, as shown on the Map of Meadow Parcel, Unit No. 1, filed July 6, 1951, Map Book 44, Page 29, Contra Costa County Records; thence along the exterior lines of said Meadow Park Unit No. 1, North 80° 23' West, 110 feet and South 50° 27' West, 110.53 feet to an angle point therein, being on the West line of said Lot C; thence North 19° 08' East, along said West line, 224.37 feet to the South line of said San Pablo Avenue; thence Easterly along said South line, along the arc of a curve to the right with a radius of 2,950 feet, the center of which bears South 2° 51' 06" East, an arc distance of 143.72 feet to the point of beginning.

Excepting from Parcel One:

All that portion thereof conveyed in the Deed to Frank A. Archambault, et ux, recorded July 21, 1957, Book 3002 Official Records, Page 174.

PARCEL TWO:

Portion of Lot 33, Map of Meadow Park, Unit No. 1, filed July 6, 1951, Map Book 44, Page 29, Contra Costa County Records, described as follows:

Beginning at the Northeast corner of said Lot 33; thence from said point of beginning along the North line of said Lot 33, North 79° 19' 10" West, 50 feet (the bearing of North 79° 19' 10" West being taken for the purpose of this description) and South 51° 30' 50" West, 62.97 feet; thence North 76° 09' 30" East, 100.25 feet to the East line of said Lot 33, distant thereon South 10° 26' 36" West, 6.04 feet from the Northeast corner thereof; thence North 10° 26' 36" East, along said East line, 6.04 feet to the point of beginning.

PARCEL THREE:

A right of way (not to be exclusive) as an appurtenance to Parcels One and Two above, for use as a roadway for vehicles of all kinds, pedestrians and animals, for water, gas, oil and sewer pipe lines, and for telephone, television service, electric light and power lines, together with the necessary poles or conduits, over a portion of Lot C, Map of Dohrmann Ranch, filed December

21, 1895, Map Book "E", Page 115, Contra Costa County Records, being a strip of land 15 feet in width, the North line of which is described as follows:

Beginning on the West line of Meadow Avenue, as shown on the Map of Meadow Park, Unit No. 1, filed July 6, 1951, Map Book 44, Page 29, Contra Costa County Records, at the South line of the parcel of land described in the Deed to Claude C. Orr, recorded November 29, 1946, in Book 964 Official Records, Page 391; thence from said point of beginning, North 80° 23' West, along said South line, 60 feet to an East line of Parcel One above.

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