

SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 3.29  
(ID # 28517)

**MEETING DATE:**  
Monday, September 22, 2025

**FROM :** HOUSING AND WORKFORCE SOLUTIONS

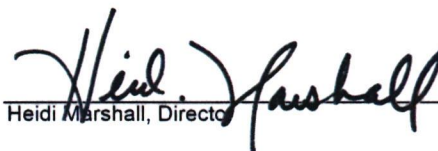
**SUBJECT:** HOUSING AND WORKFORCE SOLUTIONS (HWS): Approve the Form of the Loan Agreement for Second Street Family Apartments (HHIP Loan \$3,000,000.00 and General Funds Loan \$1,000,000.00) by and between the County of Riverside and Second Street Family LP, a California Limited Partnership, and Approval of All Attachments thereto, and Authorize the Director of HWS to Execute the Attached Loan Agreement, Covenant Agreement, and Subsequent Subordination Agreements; District 2. [4,000,000 - 75% Housing and Homelessness Incentive Program Funds and 25% General Fund]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve a loan in the amount of \$3,000,000 derived from HHIP funds and a loan in the amount of \$1,000,000 derived from General Funds to pay a portion of the development and construction cost Second Street Family Apartments to provide affordable housing to homeless individuals and individuals at risk of homelessness;
2. Approve the attached forms of Loan Agreement for Second Street Family Apartments (HHIP Loan \$3,000,000.00 and General Funds Loan \$1,000,000.00) (Loan Agreement), the Deed of Trust, Security Agreement and Fixture Filing with Assignment of Rents (Deed of Trust), Promissory Note, and Covenant Agreement;

Continued on Page 2

**ACTION:Policy**


  
Heidi Marshall, Director 9/8/2025

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Spiegel, seconded by Supervisor Washington and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Medina, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: September 22, 2025  
xc: HWS

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

**RECOMMENDED MOTION:** That the Board of Supervisors:

3. Authorize the Director of the Housing and Workforce Solutions (HWS), or designee, to execute a Loan Agreement, a Deed of Trust, a Promissory Note, and a Covenant Agreement, each conforming in form and substance to the attached, subject to approval as to form by County Counsel;
4. Authorize the Director of HWS, or designee, to negotiate and execute a Subordination Agreement subordinating the Loan Agreement and the Deed of Trust, for the benefit of Bank of America, securing a construction loan for the Project for a not to exceed amount of \$40,000,000, subject to approval as to form by County Counsel;
5. Authorize the Director of HWS, or designee, to negotiate and execute a Subordination Agreement subordinating the Loan Agreement and the Deed of Trust, for the benefit of Freddie Mac, securing a permanent loan for the Project for a not to exceed amount of \$16,000,000, subject to approval as to form by County Counsel;
6. Authorize the Director of HWS, or designee, to negotiate and execute a Subordination Agreement subordinating the Loan Agreement and the Deed of Trust, for the benefit of the City of Corona and Housing Authority of the City of Corona, securing a construction and permanent loan for the Project for a not to exceed amount of \$15,000,000, subject to approval as to form by County Counsel; and,
7. Authorize the Director of HWS, or designee, to take all necessary steps to implement the Loan Agreement and any additional Subordination Agreements, including but not limited to, executing any and all subsequent and necessary documents, subject to approval as to form by County Counsel.

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 3,000,000	\$ 0	\$ 3,000,000	\$ 0
<b>NET COUNTY COST</b>	\$ 1,000,000	\$ 0	\$ 1,000,000	\$ 0
<b>SOURCE OF FUNDS:</b> 75% Housing and Homelessness Incentive Program (HHIP) and 25% General Fund			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 25/26	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

C & C Development Co., LLC, a California limited liability company (Developer), has applied to the County of Riverside (County) for total funding allocation of up to \$3,000,000 in Housing and Homelessness Incentive Program (HHIP) funds and \$1,000,000 in General Fund to pay a portion of the costs to develop and construct a 115 multi-family affordable rental housing project referred to as Second Street Family Apartments (Proposed Project). The Developer had

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secured all necessary funding for the Proposed Project, including a grant from the U.S. Environmental Protection Agency (EPA). However, that grant was later rescinded due to federal budget cuts, creating a \$4,000,000 funding gap. By providing the necessary funding to close the gap, the County will enable the Proposed Project to secure construction financing on time, begin construction by November 2025, and deliver much needed affordable housing for the area.

The Proposed Project is located at the southwest and southeast corners of Second Street and Buena Vista Avenue, in the City of Corona, California 92882 also identified as APN 118-270-051, 118-270-053, 118-270-055, and 118-302-030. The site encompasses approximately 3.64 acres and is currently vacant.

The Proposed Project will consist of 115 affordable rental units (114 rentable units + 1 manager's unit) across four multi-story apartment buildings, including one three-bedroom manager's unit. The residential unit mix will consist of 6 studios, 18 one-bedroom units, 46 two-bedroom units, and 45 three-bedroom units. A total of twenty (20) units shall be reserved as "Assisted Units", restricted to households who are homeless or at risk of homelessness whose incomes do not exceed 30% AMI of Riverside County. Project amenities will include a community room, leasing office, laundry facilities, picnic area, playground, and swimming pool. The buildings will be constructed of wood-frame on concrete slab foundations with stucco siding. Parking accommodations include 154 surface and tuck-under garage spaces for residents.

On January 10, 2023, the Board of Supervisors accepted \$32,600,000 in HHIP funds (Minute Order 3.15), awarded through the Inland Empire Health Plan (IEHP). HHIP is a voluntary incentive program launched by the California Department of Health Care Services (DHCS) that will allow health plans to earn incentive funds for making progress towards addressing homelessness, housing insecurity, and social determinants of health. Capital project investments for permanent supportive housing is among the eligible uses allowing for the development of permanent supportive housing. HHIP funding will be available through March 31, 2024.

On June 24, 2025, the Board of Supervisors approved Fiscal Year 2025/2026 Budget Amendments (Minute Order 3.5) to fully fund the Department of Housing and Workforce Solutions' request of \$5,000,000 ("General Funds") to create needed affordable housing in the county.

Together, \$3,000,000 in HHIP funds and \$1,000,000 in General Funds are proposed to pay a portion of the development and construction of Second Street Family Apartments.

The total development cost for the Project is estimated at \$70,587,949.00, which includes the HHIP and General Fund. Other sources of permanent financing include:

<b>PERMANENT SOURCES</b>	
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Description	Amount
Tax-Exempt Perm Loan	\$14,523,610
City of Corona Total Loan Funds	\$14,095,155
County of Riverside HHIP	\$3,000,000
County of Riverside General Fund	\$1,000,000
Deferred Developer Fee	\$5,452,422
Interest Earned on Cashback Bonds	\$3,966,691
Return of Performance Deposit	\$700,000
General Partner Equity	\$100
NEF Tax Credit Equity	\$27,849,971
<b>Total</b>	<b>\$70,587,949</b>

The terms of the proposed HHIP and General Fund Loan and obligation of Developer and the County are memorialized in the proposed form of the Loan Agreement, including all exhibits, attached hereto.

County Counsel has reviewed and approved as to form the attached form of the Loan Agreement, form of the Deed of Trust, Promissory Note, and form of the Covenant Agreement. Staff recommend that the Board approve these forms, authorize the Director of HWS to execute the attached agreements, and authorize HWS to negotiate and execute Subordination Agreements to finalize the Project.

**Impact on Residents and Businesses**

Approving this item will have a positive impact on the citizens and businesses in Riverside County. The Proposed Project is expected to generate construction, permanent maintenance and property management jobs, and provide permanent supportive housing for residents of the County of Riverside.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

The County's contribution will be fully funded with the Housing and Homelessness Incentive Program (HHIP) and General Fund.

**Attachment:**

- Form of the Loan Agreement, including all exhibits
- Form of the Deed of Trust, Security Agreement and Fixture Filing with Assignment of Rents, Promissory Note, and Covenant Agreement
- Forms of Subordination Agreements with Corona, Bank of America, and US Bank

*Stacey Pena*  
 \_\_\_\_\_  
 Stacey Pena, EO Management Analyst      9/17/2025

*Aaron Gettis*  
 \_\_\_\_\_  
 Aaron Gettis, Chief of Deputy County Counsel      9/17/2025

1 NO FEE FOR RECORDING PURSUANT  
2 TO GOVERNMENT CODE SECTION 6103  
3 Order No.  
4 Escrow No.  
5 Loan No.

6 RECORDING REQUESTED BY AND  
7 WHEN RECORDED MAIL TO:

8 County of Riverside  
9 Housing and Workforce Solutions  
10 3403 10<sup>th</sup> Street, Suite 300  
11 Riverside, CA 92501  
12 Attn: Alicia Jaimes

13 SPACE ABOVE THIS LINE FOR RECORDER'S USE

14 **LOAN AGREEMENT FOR SECOND STREET FAMILY APARTMENTS**  
15 **(HHIP Loan \$3,000,000.00 and General Funds Loan \$1,000,000.00)**

16 This LOAN AGREEMENT FOR SECOND STREET FAMILY APARTMENTS  
17 ("AGREEMENT") is made and entered into effective the \_\_\_\_\_ day of \_\_\_\_\_, 2025,  
18 by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California,  
19 ("COUNTY") and Second Street Family LP, a California limited partnership, ("BORROWER").  
20 COUNTY and BORROWER are each individually referred to herein as a "Party" and  
21 collectively referred to herein as the "Parties."

22 RECITALS:

23 WHEREAS, the Inland Empire Health Plan ("IEHP") is participating in the Housing and  
24 Homelessness Incentive Program ("HHIP") implemented by the California Department of  
25 Health Care Services ("DHCS") in accordance with the Medi-Cal Home and Community-Based  
26 Services ("HCBS") Spending Plan;

27 WHEREAS, on November 15, 2022, IEHP announced that the COUNTY was allocated  
HHIP Investment Funds from IEHP, earned and awarded through DHCS, in the amount of  
\$32,600,000, for the following: (1) Rental assistance and rapid rehousing; (2) Operating  
subsidies in new and existing affordable or supportive housing units, emergency shelters, and  
navigation centers; operating subsidies may include operating reserves; (3) Incentives to

1 landlords, including, but not limited to, security deposits and holding fees; (4) Outreach and  
2 coordination, which may include access to job programs, to assist vulnerable populations in  
3 accessing permanent housing and to promote housing stability in supportive housing; (5)  
4 Systems support for activities necessary to create regional partnerships and maintain a homeless  
5 services and housing delivery system particularly for vulnerable populations including families  
6 and homeless youth; (6) Delivery of permanent housing and innovative housing solutions such  
7 as hotel and motel conversions; (7) Prevention and shelter diversion to permanent housing; and  
8 (8) New navigation centers and emergency shelters based on demonstrated need;

9 WHEREAS, on January 10, 2023, via Minute Order 3.15, the Board of Supervisors of the  
10 County of Riverside accepted the \$32,095,000 in HHIP funds from IEHP and approved the  
11 agreement between the COUNTY and IEHP for the use of HHIP program funds;

12 WHEREAS, on October 3, 2023, via Minute Order 3.17, the Board of Supervisors of the  
13 County of Riverside approved the First Amended and Restated HHIP Agreement (HWSCoC-  
14 0004868) with IEHP to accept Incentive Funding to increase the aggregate contract amount by  
15 \$12,000,000 from \$32,600,000 to \$44,600,000 in HHIP funds;

16 WHEREAS, on June 24, 2025, via Minute Order 3.5, the Board of Supervisors of the  
17 County of Riverside approved Fiscal Year 2025/2026 Budget Amendments to fully fund the  
18 COUNTY's Department of Housing and Workforce Solutions' request of \$5,000,000 ("General  
19 Funds");

20 WHEREAS, the COUNTY desires to use its allocation of HHIP funds and General Funds  
21 towards the development and construction of affordable housing projects in the County of  
22 Riverside;

23 WHEREAS, BORROWER is a California limited partnership and the owner of that  
24 certain real property located at the southwest and southeast corners of Second Street and Buena  
25 Vista Avenue, in the City of Corona, California 92882 also identified as APN 118-270-051, 118-  
26 270-053, 118-270--055, and 118-302-030 and legally described in the Legal Description and  
27 depicted on the site map attached hereto and incorporated herein as **Exhibit A** (collectively, the

1 “Property”);

2 WHEREAS, BORROWER is proposing to utilize the HHIP funds and General Funds to  
3 pay a portion of the development and construction of Second Street Family Apartments, an multi-  
4 family affordable rental housing project consisting of one hundred fourteen (114) affordable  
5 rental housing units and one (1) residential manager’s unit to be located on the Property and to  
6 provide permanent supportive housing and wrap around services to homeless, or those at risk of  
7 homelessness, or experiencing housing insecurity in some of the units (“Project”);

8 WHEREAS, the Project is an eligible use of HHIP and General Funds;

9 WHEREAS, the purpose of this Agreement is, among other things, for COUNTY to  
10 provide for: (1) a loan of HHIP funds to BORROWER in the maximum amount of THREE  
11 Million (\$3,000,000); and (2) a loan of General Funds to BORROWER in the maximum amount  
12 of ONE Million (\$1,000,000), together the “Loan” or “Funds”, to fund a portion of the costs of  
13 the Project, as more fully described herein; and

14 WHEREAS, a total of twenty (20) of the units will be reserved as Assisted Units (as  
15 defined below), and will have a preference for those who are homeless, or at risk of  
16 homelessness, or experiencing housing insecurity (the “Assisted Units”).

17 NOW, THEREFORE, the COUNTY and BORROWER hereby agree as follows:

18 1. PURPOSE. The aforementioned Recitals are true and correct and incorporated  
19 herein by this reference. COUNTY has agreed to lend a maximum total amount of THREE  
20 MILLION DOLLARS (\$3,000,000) in HHIP funds (“HHIP Loan” or “HHIP funds”) and ONE  
21 MILLION DOLLARS (\$1,000,000) in COUNTY General Funds (“GF Loan” or “GF funds”),  
22 together the “Loan” or “Funds”, to BORROWER for costs to develop and construct the Project  
23 upon the satisfaction of the terms and conditions set forth herein, including but not limited to the  
24 conditions precedent to distribution of the Loan set forth in **Section 12** below. Subject also to  
25 **Section 48** below, BORROWER shall undertake and complete the activities required herein and  
26 as set forth in **Exhibits A and A-1**, and shall utilize the Loan, as required herein and pursuant to  
27 the Housing and Homelessness Incentive Program (“HHIP”) implemented by the California

1 Department of Health Care Services (“DHCS”), in accordance with the Medi-Cal Home and  
2 Community-Based Services (“HCBS”) Spending Plan.

3 2. BORROWER’S OBLIGATIONS. Upon the commencement of the Effective Date  
4 (defined in **Section 55** below), BORROWER hereby agrees to undertake and complete the  
5 following activities within the time period(s) set forth herein and in **Exhibit A-1**:

- 6 a. Satisfy the conditions precedent to distribution of the Loan set forth in **Section**  
7 **12** below.
- 8 b. Develop and construct the Project in accordance with the timeline set forth in  
9 **Exhibit A and A-1**.
- 10 c. Operate the Project in such a manner so that it will remain available to  
11 Qualified Populations for the Affordability Period as defined in **Section 14**  
12 below without regard to (i) the term of the promissory note or (ii) transfer of  
13 ownership.
- 14 d. Maintain the Project in compliance with applicable local, state, federal laws,  
15 codes and regulations as further described in **Section 17** below until the  
16 expiration of the Term of this Agreement set forth in **Section 6** below, and the  
17 Affordability Period set forth in **Section 14** below.

18 3. RESERVED.

19 4. COUNTY LOAN. Subject to BORROWER’s satisfaction of the conditions  
20 precedent to disbursement of the Loan set forth in **Section 12** below, COUNTY shall provide  
21 financing to BORROWER in the form of a loan in the amount of FOUR MILLION DOLLARS  
22 (\$4,000,000.00), including all expenses, pursuant to the following terms and conditions:

- 23 a. Term of Loan. The maturity date of the Loan shall be the later to occur of (i)  
24 January 1, 2081, or (ii) fifty-five (55) years from the recordation of the Notice  
25 of Completion for the Project (the “Notice of Completion) in the Official  
26 Records (the “Loan Term”). The term, “Official Records” used herein shall  
27 mean the Official Records of the Recorder’s Office of the County of Riverside.

- 1           b. Principal. The total amount of the Loan shall not exceed \$4,000,000, and shall  
2           be evidenced by a Promissory Note, substantially conforming in form and  
3           substance to the Promissory Note attached hereto and incorporated herein as  
4           **Exhibit C** (“Note”), which note shall be secured by a Deed of Trust, Security  
5           Agreement and Fixture Filing (with Assignment of Rents), substantially  
6           conforming in form and substance to the Deed of Trust, Security Agreement  
7           and Fixture Filing (with Assignment of Rents) attached hereto and  
8           incorporated herein as **Exhibit B** (“Deed of Trust”).
- 9           c. Interest. The interest rate shall be three percent (3%) simple interest per  
10          annum.
- 11          d. Repayment. The terms of the Note shall be as follows:
- 12            i. That the Loan will accrue simple interest at a rate of three percent (3%)  
13            per annum, except in the case of an event of default as hereinafter  
14            provided wherein a higher default interest rate shall apply as more  
15            specifically set forth in the Note and shall be repaid on an annual basis  
16            from the Residual Receipts (defined in Section 4 (d)(iv) below).
- 17            ii. Fifty percent (50%) of the Project’s Residual Receipts (defined in  
18            Section 4 (d)(iv) below) shall be allocated to the Residual Receipts  
19            Loans (as defined in the Note) (the "Lenders' Share") will be split pro-  
20            rata between each Residual Receipts Loan based on the percentage of  
21            each respective loan original principal amount according to its share of  
22            the total original principal amount of all such loans, until the Note is  
23            repaid in full. The County's pro rata share is [22.10]% of fifty percent  
24            of Residual Receipts.
- 25            iii. The remaining fifty percent (50%) of the Residual Receipts will be paid  
26            to BORROWER.
- 27            iv. The Residual Receipts shall be determined based on an annual review

1 of certified financial statements for the Project. Annual audited  
2 financial statements shall be submitted by BORROWER to COUNTY  
3 within one hundred fifty (150) days following the close of the project  
4 fiscal year commencing on May 1st of the first full calendar year  
5 following the recordation of the Notice of Completion. All outstanding  
6 principal along with accrued interest shall be due upon the maturity  
7 date of the Note and the expiration of the Loan Term as set forth in  
8 Section 4(a). The first payment from BORROWER to COUNTY shall  
9 be due on July 1st in the first full calendar year following the date of  
10 the Project's recordation of the Notice of Completion, to the extent of  
11 available Residual Receipts, as set forth herein. Subsequent payments  
12 shall be made on July 1st thereafter to the extent of available Residual  
13 Receipts until the earlier of full repayment of the Loan or the Loan  
14 maturity date as set forth above. The term "Residual Receipts" used  
15 herein shall mean the gross rental income from all residential and non-  
16 residential components of the Project, proceeds from loss of rent  
17 insurance, and any other income to the BORROWER derived from the  
18 ownership, operation and management of the Property, not including  
19 interest on required reserve accounts, proceeds of loans or capital  
20 contributions, and insurance proceeds used for repair or reconstruction  
21 of the Project or used to repay senior loans, less operating expenses  
22 consistent with the definition of such expenses in the BORROWER'S  
23 Amended and Restated Limited Partnership Agreement approved by  
24 the COUNTY, provided that in the event of a conflict between this  
25 Agreement and the BORROWER'S Amended and Restated Limited  
26 Partnership Agreement the BORROWER'S Amended and Restated  
27 Limited Partnership Agreement (as approved by the COUNTY in its

1 reasonable discretion) shall control, determination of term Residual  
2 Receipts and the following (in no particular priority of payment):

- 3 (1) auditing and accounting fees;
- 4 (2) a reasonable property management fee not to exceed \$79.50 per unit  
5 per month, increasing annually by 3% per year;
- 6 (3) Operating Expenses (any expense reasonably and normally incurred in  
7 carrying out the Project's day-to-day activities, which shall include  
8 administration, on-site management, utilities, on-site staff payroll,  
9 payroll taxes, and maintenance);
- 10 (4) replacement reserves, established in a separate account from operating  
11 reserves, in the amount of at least \$300 per unit per year for all units in  
12 the Project;
- 13 (5) Operating Reserves replenishment;
- 14 (6) a general partner asset management annual fees which shall be in the  
15 total initial amount of no more than \$25,000, increased by no more than  
16 3% annually on a cumulative basis if not paid in prior years;
- 17 (7) an annual limited partner asset management fee not to exceed \$8,500,  
18 which fee shall be increased annually by 3% on a cumulative basis;
- 19 (8) payments of principal and interest on amortized loans and indebtedness  
20 senior to the Loan, which have been approved by COUNTY  
21 (collectively, the "Senior Debt);
- 22 (9) COUNTY's Monitoring Fee in the total annual amount of \$11,500 for  
23 the County Loan;
- 24 (10) To pay credit adjusters due to the BORROWER's limited partner and  
25 to repay loans made by such limited partner to the BORROWER; and
- 26 (11) To repay operating deficit loans, deferred developer fee, and  
27 development completion loans made by BORROWER's general

1 partner to BORROWER in accordance with BORROWER's limited  
2 partnership agreement.

3 e. Prepayment. Prepayment of principal under the Note may occur at any time  
4 without penalty; provided, however (i) the requirements of **Section 17**,  
5 "Compliance with Laws and Regulations", shall remain in full force and effect  
6 for the term of the Agreement specified in **Section 7** below; and (ii) the  
7 requirements set forth in the Covenant Agreement, attached hereto as **Exhibit**  
8 **E**, shall remain in effect until the expiration of the Affordability Period.

9 5. SECURITY. As of the date of this Agreement, lien priority, including applicable  
10 regulatory agreements, shall be as follows:

- 11 (a) first priority shall be a regulatory agreement related to the tax-exempt bond  
12 financing for the Project;
- 13 (b) second priority shall be the COUNTY's Covenant Agreement;
- 14 (c) third priority shall be a deed of trust for the benefit of Bank of America, N.A.  
15 securing a loan in the approximate amount of \$37,000,000 (the "Construction  
16 Loan Deed of Trust"), which shall be replaced at the conversion to permanent  
17 financing of such financing ("Conversion") by a deed of trust for the benefit of  
18 California Municipal Finance Authority, a joint exercise of powers agency,  
19 which beneficial interest is assigned to U.S. Bank Trust Company, National  
20 Association, as fiscal agent for CPC Mortgage Company LLC as funding lender,  
21 who will assign its right, title, and interest in the funding loan as funding lender  
22 to the Federal Home Loan Mortgage Corporation (FHLMC), commonly known  
23 as Freddie Mac, securing a loan in the approximate anticipated amount  
24 \$13,500,000 (the "Permanent Loan Deed of Trust" and together with the  
25 Construction Loan Deed of Trust, collectively the "Senior Loan Deeds of  
26 Trust");
- 27

- 1 (d) fourth priority shall be a regulatory agreement associated with the City of  
2 Corona (the "City") and City of Corona Housing Authority (the "Housing  
3 Authority") loans to the Project;
- 4 (e) fifth priority shall be to a Notice of Agreement (First Amended and Restated  
5 Affordable Housing Disposition and Development Agreement);
- 6 (f) sixth priority shall be a deed of trust securing the City and Housing Authority  
7 loans to the Project in a total amount of \$14,096,871.15;
- 8 (g) seventh priority shall be a regulatory agreement related to the density bonus  
9 for the Project;
- 10 (h) eighth priority shall be the COUNTY's Loan Deed of Trust; and
- 11 (i) ninth priority shall be the COUNTY's Loan Agreement.

12 6. PRIOR COUNTY APPROVAL.

- 13 a. Except as otherwise expressly provided in this Agreement, approvals required  
14 of the COUNTY shall be deemed granted by the written approval of the  
15 Director of Housing and Workforce Solutions ("HWS"), or designee.  
16 Notwithstanding the foregoing, the Director may, in their sole discretion, refer  
17 to the governing body of the COUNTY any item requiring COUNTY  
18 approval; otherwise, "COUNTY approval" means and refers to approval by  
19 the Director of HWS, or designee.
- 20 b. The Director of HWS, or designee, shall have the right to make changes to the  
21 attachments to this Agreement in order to ensure that all such attachments are  
22 consistent with the terms and provisions of this Agreement.

23 7. TERM OF AGREEMENT. This Agreement shall become effective upon the  
24 Effective Date, as defined in **Section 55** below, and unless terminated earlier pursuant to the  
25 terms hereof, shall continue in full force and effect until the later to occur of (i) January 1, 2081  
26 or (ii) fifty-five (55) years from the recordation of the Notice of Completion in the Official  
27 Records ("Term of Agreement").

1           8.     BORROWER’S REPRESENTATIONS. BORROWER represents and warrants  
2 to COUNTY as follows:

3           a.     Authority. BORROWER has full right, power and lawful authority to enter  
4 into this Agreement and accept the Loan and undertake all obligations as  
5 provided herein. The execution, performance, and delivery of this Agreement  
6 by BORROWER have been fully authorized by all requisite actions on the part  
7 of BORROWER.

8           b.     No Conflict. To the best of BORROWER’s knowledge, BORROWER’s  
9 execution, delivery and performance of its obligations under this Agreement  
10 will not constitute a default or a breach under contract, agreement or order to  
11 which BORROWER is a party or by which it is bound.

12           c.     No Bankruptcy. BORROWER is not the subject of a bankruptcy proceeding.

13           d.     Prior to Closing. BORROWER shall, upon learning of any fact or condition  
14 which would cause any of the warranties and representations in this **Section 8**  
15 not to be true as of close of escrow, immediately give written notice of such  
16 fact or condition to COUNTY. Such exception(s) to a representation shall not  
17 be deemed a breach by BORROWER hereunder, but shall constitute an  
18 exception which COUNTY shall have the right to approve or disapprove if  
19 such exception would have an effect on the value and/or operation of the  
20 Project.

21           9.     COMPLETION SCHEDULE. BORROWER shall proceed consistent with the  
22 Implementation Schedule set forth in **Exhibit A-1**, as such schedule may be amended pursuant  
23 to **Section 11**, and subject to Force Majeure Delays as defined in **Section 10**.

24           10.    FORCE MAJEURE DELAYS. “Force Majeure” means event(s) beyond the  
25 reasonable control of BORROWER, and which could not have been reasonably anticipated,  
26 which prevent(s) BORROWER from complying with any of its obligations under this  
27 Agreement, including, but not limited to: acts of God, acts of war, acts or threats of terrorism,

1 civil disorders, strikes, labor disputes, pandemics such as COVID-19, flood, fire, explosion,  
2 earthquake, acts of the Federal Government, acts of the other party, quarantine restrictions,  
3 freight embargoes or other similar acts.

4 “Force Majeure Delay” is delay due to Force Majeure that, in each case, (i)  
5 materially adversely affects the performance by BORROWER of its obligations hereunder, (ii)  
6 is not reasonably foreseeable and is beyond BORROWER's reasonable control, (iii) despite the  
7 exercise of reasonable diligence, cannot be prevented, avoided or removed by BORROWER and  
8 is not attributable to the negligence, willful misconduct or bad faith of BORROWER, and (iv) is  
9 not the result of the failure of BORROWER to perform any of its obligations under this  
10 Agreement. Notwithstanding the foregoing, a Force Majeure Delay shall not be deemed to have  
11 occurred unless BORROWER has notified COUNTY in writing of such occurrence within  
12 fifteen (15) days after such occurrence and has provided COUNTY with the details of such event  
13 and the length of the anticipated delay within an additional fifteen (15) days thereafter.  
14 BORROWER shall diligently attempt to remove, resolve, or otherwise eliminate such event,  
15 keep COUNTY advised with respect thereto, and shall commence performance of its obligations  
16 hereunder immediately upon such removal, resolution or elimination. During the occurrence  
17 and continuance of a Force Majeure Delay, BORROWER shall be excused from performance of  
18 its obligations under this Agreement to the extent the Force Majeure prevents BORROWER  
19 from performing such obligations.

20 11. EXTENSION OF TIME. COUNTY may grant an extension to the  
21 Implementation Schedule set forth in **Exhibit A-1** for the purpose of completing BORROWER's  
22 activities which cannot be completed as outlined in **Exhibit A-1**. BORROWER shall request  
23 said extension in writing, stating the reasons therefore, which extension must be first approved  
24 in writing by the COUNTY in its reasonable discretion. The Director of HWS, or designee, on  
25 behalf of the COUNTY may extend all pending deadlines in the Implementation Schedule on  
26 two (2) or fewer occasions, so long as the aggregate duration of such administrative time  
27 extensions is no greater than ninety (90) days. Every term, condition, covenant, and requirement

1 of this Agreement shall continue in full force and effect during the period of any such extension.

2 12. CONDITIONS PRECEDENT TO DISTRIBUTION OF LOAN FUNDS.

3 COUNTY, through HWS, shall: (1) make payments of the Loan funds to BORROWER as  
4 designated in **Exhibit A** subject to Borrower's satisfaction of the conditions precedent set forth  
5 below, and (2) monitor the Project to ensure compliance with applicable regulations and the  
6 terms of this Agreement. COUNTY shall not disburse any Loan funds pursuant to this  
7 Agreement until the following conditions precedent have been satisfied:

- 8 a. BORROWER executes this Agreement and delivers to COUNTY for  
9 recordation in the Official Records;
- 10 b. BORROWER provides COUNTY with evidence of insurance as required  
11 herein;
- 12 c. BORROWER executes the Deed of Trust, substantially conforming in form  
13 and substance to the Deed of Trust, Security Agreement and Fixture Filing  
14 (with Assignment of Rents) attached hereto as **Exhibit B**, in recordable form,  
15 and delivers such document to the County of Riverside for recordation in the  
16 Official Records;
- 17 d. BORROWER executes the Note, substantially conforming in form and  
18 substance to the Promissory Note attached hereto as **Exhibit C** and delivers to  
19 COUNTY;
- 20 e. BORROWER executes the Covenant Agreement, substantially conforming in  
21 form and substance to the Covenant Agreement attached hereto and  
22 incorporated herein as **Exhibit E**, in recordable form, and delivers to the  
23 County of Riverside for recordation in the Official Records;
- 24 f. COUNTY executes and records the Requests for Notice of Default,  
25 conforming in form and substance to **Exhibit F** attached hereto;
- 26 g. BORROWER provides, at its expense, an American Land Title Association  
27 ("ALTA") lender's policy in favor of COUNTY, insuring the Covenant

1 Agreement as a second priority lien against the Property; and

2 h. BORROWER is not in default under the terms of this Agreement or any other  
3 agreement related to the financing of the Project.

4 BORROWER shall submit the following documentation to COUNTY, sixty (60) days  
5 from the execution of this Agreement:

- 6 1) Resident Service Plan;
- 7 2) Management Plan; and
- 8 3) Funding commitments and sources and uses for the construction of the Project.

9 13. DISBURSEMENT OF FUNDS. Disbursement of Funds shall occur upon  
10 the satisfaction of conditions set forth in **Section 12**. COUNTY shall disburse Funds on a “cost-  
11 as-incurred” basis to BORROWER after receipt of funding draw requests with supporting  
12 documents for construction costs paid by BORROWER, including copies of checks and  
13 corresponding invoices. COUNTY shall promptly review the funding draw request and may  
14 require additional information from BORROWER as may be necessary and appropriate for  
15 COUNTY to make its determination as to allowable costs defined herein. COUNTY may  
16 disburse to BORROWER the Funds for acquisition costs, construction hard and soft costs,  
17 impact fees, insurance premiums, contingencies, site work, structures, architecture design,  
18 survey and engineering costs (“Allowable Costs”) as follows:

19 i. Up to ninety percent (90%) of the Loan at the closing of construction  
20 financing subject to satisfaction of conditions precedent to distribution of  
21 Funds as set out in **Section 12** of this Agreement.

22 ii. COUNTY shall release final draw down of ten percent (10%) of the Loan  
23 after completion of construction of the Project evidenced by Certificate of  
24 Occupancy and recorded Notice of Completion following receipt of all of  
25 the items listed below (“Closing Items”) to COUNTY:

- 26 1. Conditional lien release from general contractor;
- 27 2. recorded Notice of Completion;

- 1 3. Permanent Certificate of Occupancy;
- 2 4. architect certification identifying units that are accessible to
- 3 individuals with mobility impairments and units that are
- 4 accessible to individuals with sensory impairments in
- 5 compliance with Applicable California law;
- 6 5. submission of a Project completion report including Tenant
- 7 Checklist which is attached hereto and by this reference
- 8 incorporated herein;
- 9 6. Tenant Selection Policy;
- 10 7. Management Plan;
- 11 8. Certified statement of final development costs; and
- 12 9. Certified statement of final sources and uses of funds for the
- 13 Project.
- 14

15 14. TERMS OF AFFORDABILITY. The Project shall remain occupied and available  
16 to Qualified Populations, pursuant to **Section 18** below, **Exhibit A**, and the Covenant Agreement  
17 attached hereto as **Exhibit E**, commencing upon initial lease up of the Project and continuing  
18 until the later of (i) fifty-five (55) years from the recordation of the Notice of Completion in the  
19 Official Records, or (ii) January 1, 2081 (“Affordability Period”).

20 15. INSURANCE. Without limiting or diminishing BORROWER’S obligation to  
21 indemnify or hold COUNTY harmless, BORROWER or its general contractor for the Project  
22 (“General Contractor”), shall procure and maintain or cause to be maintained, at its sole cost and  
23 expense, the following insurance coverages during the Term of this Agreement.

- 24 a. Builder’s All Risk (Course of Construction) Insurance. BORROWER shall
- 25 cause General Contractor to provide a policy of Builder’s All Risk (Course of
- 26 Construction) insurance coverage including (if the work is located in an
- 27 earthquake or flood zone or if required on financed or bond financing

1 arrangements) coverage for earthquake and flood, covering the COUNTY,  
2 BORROWER, General Contractor and every subcontractor, of every tier, for  
3 the entire Project, including property to be used in the construction of the work  
4 while such property is at off-site storage locations or while in transit or  
5 temporary off-site storage. Such policy shall include, but not be limited to,  
6 coverage for fire, collapse, faulty workmanship, debris removal, expediting  
7 expense, fire department service charges, valuable papers and records, trees,  
8 grass, shrubbery and plants. If scaffolding, false work and temporary buildings  
9 are insured separately by the General Contractor or others, evidence of such  
10 separate coverage shall be provided to COUNTY prior to the start of the work.  
11 Such policy shall be written on a completed value form. Such policy shall also  
12 provide coverage for temporary structures (on-site offices, etc.), fixtures,  
13 machinery and equipment being installed as part of the work. BORROWER  
14 shall require that General Contractor shall be responsible for any and all  
15 deductibles under such policy. Upon request by COUNTY, BORROWER ,  
16 on behalf of General Contractor, shall declare all terms, conditions, coverages  
17 and limits of such policy. If the COUNTY so provides, in its sole discretion,  
18 the All Risk (Course of Construction) insurance for the Project, then  
19 BORROWER shall cause the General Contractor to assume the cost of any and  
20 all applicable policy deductibles (currently, \$50,000 per occurrence) and shall  
21 insure its own machinery, equipment, tools, etc. from any loss of any nature  
22 whatsoever.

- 23 b. Workers' Compensation Insurance. If BORROWER or General Contractor  
24 have employees as defined by the State of California, BORROWER or General  
25 Contractor, as applicable, shall maintain statutory Workers' Compensation  
26 Insurance (Coverage A) as prescribed by the laws of the State of California.  
27 Policy shall include Employers' Liability (Coverage B) including

1 Occupational Disease with limits not less than \$1,500,000 per person per  
2 accident. The policy shall be endorsed to waive subrogation in favor of The  
3 County of Riverside.

4 c. Commercial General Liability Insurance. Borrower shall maintain  
5 Commercial General Liability insurance coverage, including but not limited  
6 to, premises liability, contractual liability, products and completed operations  
7 liability, personal and advertising injury, and cross liability coverage, covering  
8 claims which may arise from or out of BORROWER'S performance of its  
9 obligations hereunder. Policy shall name the County of Riverside, its  
10 Agencies, Boards, Districts, Special Districts, and Departments, their  
11 respective directors, officers, Board of Supervisors, employees, elected or  
12 appointed officials, agents or representatives as Additional Insured. Policy's  
13 limit of liability shall not be less than \$2,000,000 per occurrence combined  
14 single limit. If such insurance contains a general aggregate limit, it shall apply  
15 separately to this agreement or be no less than two (2) times the occurrence  
16 limit.

17 d. Vehicle Liability Insurance. If vehicles or mobile equipment are used in the  
18 performance of the obligations under this Agreement, then BORROWER shall  
19 maintain liability insurance for all owned, non-owned or hired vehicles so used  
20 in an amount not less than \$1,000,000 per occurrence combined single limit.  
21 If such insurance contains a general aggregate limit, it shall apply separately  
22 to this agreement or be no less than two (2) times the occurrence limit. Policy  
23 shall name the County of Riverside, its Agencies, Boards, Districts, Special  
24 Districts, and Departments, their respective directors, officers, Board of  
25 Supervisors, employees, elected or appointed officials, agents or  
26 representatives as Additional Insured or provide similar evidence of coverage  
27 approved by COUNTY's Risk Manager.

1 e. General Insurance Provisions – All Lines.

2 (i) Any insurance carrier providing insurance coverage hereunder shall be  
3 admitted to the State of California and have an A M BEST rating of not  
4 less than A: VIII (A:8) unless such requirements are waived, in writing,  
5 by COUNTY Risk Manager. If COUNTY's Risk Manager waives a  
6 requirement for a particular insurer such waiver is only valid for that  
7 specific insurer and only for one policy term.

8 (ii) BORROWER, or Borrower on behalf of General Contractor, must  
9 declare its insurance self-insured retentions. If such self-insured  
10 retentions exceed \$500,000 per occurrence such retentions shall have  
11 the prior written consent of COUNTY Risk Manager before the  
12 commencement of operations under this Agreement. Upon notification  
13 of self-insured retention unacceptable to COUNTY, and at the election  
14 of COUNTY's Risk Manager, BORROWER's or General  
15 Contractor's, as applicable, carriers shall either: (a) reduce or eliminate  
16 such self-insured retention as respects this Agreement with COUNTY,  
17 or (b) procure a bond which guarantees payment of losses and related  
18 investigations, claims administration, and defense costs and expenses.

19 (iii) BORROWER shall cause BORROWER's and General Contractor's  
20 insurance carrier(s) to furnish the County of Riverside with copies of  
21 the Certificate(s) of Insurance and Endorsements effecting coverage as  
22 required herein, and 2) if requested to do so orally or in writing by  
23 COUNTY Risk Manager, provide copies of policies including all  
24 Endorsements and all attachments thereto, showing such insurance is  
25 in full force and effect. Further, said Certificate(s) and policies of  
26 insurance shall contain the covenant of the insurance carrier(s) that  
27 thirty (30) days written notice shall be given to the County of Riverside

1 prior to any material modification, cancellation, expiration or reduction  
2 in coverage of such insurance. In the event of a material modification,  
3 cancellation, expiration, or reduction in coverage, this Agreement shall  
4 terminate forthwith, unless the County of Riverside receives, prior to  
5 such effective date, another Certificate of Insurance and copies of  
6 endorsements, including all endorsements and attachments thereto  
7 evidencing coverages set forth herein and the insurance required herein  
8 is in full force and effect. BORROWER shall not commence  
9 operations until COUNTY has been furnished Certificate(s) of  
10 Insurance and copies of endorsements and if requested, copies of  
11 policies of insurance including all endorsements and any and all other  
12 attachments as required in this Section. An individual authorized by  
13 the insurance carrier on its behalf shall sign the original endorsements  
14 for each policy and the Certificate of Insurance.

15 (iv) It is understood and agreed to by the parties hereto that BORROWER's  
16 insurance shall be construed as primary insurance, and COUNTY's  
17 insurance and/or deductibles and/or self-insured retentions or self-  
18 insured programs shall not be construed as contributory.

19 (v) If, during the term of this Agreement or any extension thereof, there is  
20 a material change in the scope of services; or, there is a material change  
21 in the equipment to be used in the performance of the scope of work  
22 which will add additional exposures (such as the use of aircraft,  
23 watercraft, cranes, etc.); or, the term of this Agreement, including any  
24 extensions thereof, exceeds five (5) years, COUNTY reserves the right  
25 to adjust the types of insurance required under this Agreement and the  
26 monetary limits of liability for the insurance coverages currently  
27 required herein, if, in COUNTY Risk Manager's reasonable judgment,

1 the amount or type of insurance carried by BORROWER has become  
2 inadequate.

3 (vi) BORROWER shall pass down the insurance obligations contained  
4 herein to all tiers of subcontractors working under this Agreement;  
5 provided, however, that subcontractor's limit of liability for  
6 commercial liability insurance shall not be less than \$1,000,000 per  
7 occurrence combined single limit.

8 (vii) The insurance requirements contained in this Agreement may be  
9 met with a program(s) of self-insurance acceptable to COUNTY.

10 (viii) BORROWER agrees to notify COUNTY of any claim by a third  
11 party or any incident or event that may give rise to a claim arising from  
12 the performance of this Agreement.

13 16. FINANCIAL AND PROJECT RECORDS. COUNTY reserves the right to perform  
14 or cause to be performed a financial audit. At COUNTY's request, the BORROWER shall  
15 provide, at BORROWER's own expense, a financial audit prepared by a certified public  
16 accountant. HHIP administrative funds may be used to fund this expense.

17 i) If a financial audit is required by COUNTY, the audit shall be performed  
18 by an independent certified public accountant.

19 ii) The BORROWER shall notify COUNTY of the auditor's name and address  
20 immediately after the selection has been made. The contract for the audit  
21 shall allow access by COUNTY to the independent auditor's working  
22 papers.

23 iii) The BORROWER is responsible for the completion of audits and all costs  
24 of preparing audits.

25 iv) If there are audit findings, the BORROWER must submit a detailed  
26 response acceptable to COUNTY for each finding within ninety (90) days  
27 from the date of the audit finding report.

1           17. COMPLIANCE WITH STATE AND FEDERAL LAWS, RULES,  
2 GUIDELINES, AND REGULATIONS. By executing this Agreement, BORROWER hereby  
3 certifies that it will adhere to and comply with all applicable federal, state and local laws,  
4 regulations and ordinances. BORROWER shall comply with all regulations and guidelines of the  
5 Housing and Homeless Incentive Program, as may be amended from time to time. Additionally,  
6 BORROWER shall comply with the following as they may be applicable to BORROWER in  
7 connection with the Loan:

8           a. *Access to Records and Records Retention:* The BORROWER or Contractor,  
9 and any sub-consultants or sub-contractors, shall allow all duly authorized  
10 State, and/or County officials or authorized representatives access to the work  
11 area, as well as all books, documents, materials, papers, and records of the  
12 BORROWER or Contractor, and any sub-consultants or sub-contractors, that  
13 are directly pertinent to a specific program for the purpose of making audits,  
14 examinations, excerpts, and transcriptions. The BORROWER or Contractor,  
15 and any sub-consultants or sub-contractors, further agree to maintain and keep  
16 such books, documents, materials, papers, and records, on a current basis,  
17 recording all transactions pertaining to this agreement in a form in accordance  
18 with generally acceptable accounting principles. All such books and records  
19 shall be retained for such periods of time as required by law, provided, however,  
20 notwithstanding any shorter periods of retention, all books, records, and  
21 supporting detail shall be retained for a period of at least five (5) years after the  
22 expiration of the term of this Agreement, or final payment is made, whichever  
23 is later.

24           18. PROJECT REQUIREMENTS. BORROWER shall make the Assisted Units  
25 available to people that are experiencing homelessness, at risk of homelessness, or experiencing  
26 housing insecurity (“Qualified Population”).

27           If BORROWER intends to use the Assisted Units for a use other than to provide shelter

1 and services to the Qualified Populations, BORROWER shall utilize the Property for another  
2 HHIP-Eligible Activity. BORROWER shall provide COUNTY with sixty (60) days notice of  
3 conversion for another HHIP-Eligible Activity. The approval of the alternate HHIP- Eligible  
4 Activity shall not be unreasonably withheld by COUNTY. If the Assisted Units are not used to  
5 provide shelter and services to the Qualified Populations and BORROWER does not intend to  
6 use the Property for another HHIP-Eligible Activity, then COUNTY and BORROWER mutually  
7 agree that this Agreement will self-terminate and any Loan funds drawn shall be returned within  
8 ninety (90) calendar days. Upon such termination, this Agreement shall become null and void.  
9 COUNTY and BORROWER shall be released and discharged respectively from their obligations  
10 under this Agreement. All costs incurred by each party on the Project will be assumed  
11 respectively.

12 19. INTENTIONALLY OMITTED

13 20. INTENTIONALLY OMITTED.

14 21. INTENTIONALLY OMITTED.

15 22. SALE, ASSIGNMENT, OR OTHER TRANSFER OF THE PROJECT.

16 BORROWER hereby covenants and agrees not to sell, assign, transfer or otherwise dispose of  
17 the Project or any portion thereof, without obtaining the prior written consent of the COUNTY,  
18 which consent shall be conditioned upon receipt by the COUNTY of reasonable evidence  
19 satisfactory to the COUNTY in its reasonable discretion, that transferee has assumed in writing  
20 and in full, and is reasonably capable of performing and complying with the BORROWER's  
21 duties and obligations under this Agreement, provided, however Borrower shall be released of all  
22 obligations hereunder which accrue from and after the date of such sale.

23 Notwithstanding the foregoing or anything to the contrary contained herein, the following  
24 shall be permitted without COUNTY's consent, but with prior written notice to the COUNTY:

25 (a) admission of limited partners to Borrower and the purchase of any such limited partner  
26 interests by the general partners of BORROWER or their affiliates or otherwise in accordance  
27 with that certain Purchase Option and Right of First Refusal between the BORROWER and the

1 general partners of BORROWER or their affiliates; (b) removal for cause of any general partner  
2 of BORROWER by a limited partner of BORROWER, and the replacement thereof, in  
3 accordance with BORROWER's Amended and Restated Agreement of Limited Partnership (the  
4 "Partnership Agreement"), and amendments to the Partnership Agreement required to effectuate  
5 such removal and replacement (or any other Permitted Transfers pursuant to this Section),  
6 provided COUNTY receives five (5) business days advance written notice of such removal and  
7 an executed copy of any amendment to the Partnership Agreement effectuating such transfer  
8 within ten (10) days after execution thereof; (c) lease for occupancy of units in the Project in  
9 accordance with the terms of this Agreement; (d) the granting of easements or permits to facilitate  
10 the development of the Project in accordance with the terms of this Agreement; and (e) the  
11 withdrawal, transfer, and/or replacement of any limited partner interest (or of any interest thereof)  
12 in BORROWER (collectively, "Permitted Transfers"). Documents of all Permitted Transfers  
13 shall be provided to COUNTY. Notwithstanding the foregoing, the BORROWER shall be  
14 permitted to refinance the senior priority loan at its maturity in an amount equal to the then-  
15 outstanding principal balance of the senior priority loan plus the costs of such refinancing on  
16 terms reasonably satisfactory to the COUNTY (the "Refinanced Loan"), and the COUNTY agrees  
17 that the HHIP Deed of Trust and other documents evidencing and/or securing the COUNTY's  
18 loan shall remain subordinate to any such Refinanced Loan. BORROWER acknowledges and  
19 agrees that the Covenant Agreement shall remain a senior lien priority to maintain the  
20 affordability restrictions for Qualified Populations through the Affordability Period.

21 23. INDEPENDENT CONTRACTOR. BORROWER and its agents, servants and  
22 employees shall act at all times in an independent capacity during the term of this Agreement,  
23 and shall not act as, shall not be, nor shall they in any manner be construed to be agents, officers,  
24 or employees of COUNTY.

25 24. NONDISCRIMINATION. BORROWER shall comply with the provisions of the  
26 California Fair Employment and Housing Act (Government Code Sections 12900 et seq.), the  
27 Federal Civil Rights Act of 1964 (P.L. 88-352), as amended, and all administrative rules and

1 regulations issued pursuant to said Acts and Orders with respect to its use of the Property.

2       BORROWER herein covenants by and for itself, its successors and assigns, and all persons  
3 claiming under or through them, that this Covenant is made and accepted upon and subject to the  
4 following conditions: There shall be no discrimination against or segregation of any person or  
5 group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the  
6 Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and  
7 paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code,  
8 in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall  
9 the transferee itself or any person claiming under or through him or her, establish or permit any  
10 such practice or practices of discrimination or segregation with reference to the selection, location,  
11 number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the Property.

12       BORROWER, its successors and assigns, shall refrain from restricting the rental, sale, or  
13 lease of the Property or any portion thereof, on the basis of race, color, creed, religion, sex, sexual  
14 orientation, marital status, national origin, or ancestry of any person. Every deed, lease, and  
15 contract entered into with respect to the Property, or any portion thereof, after the date of this  
16 Agreement shall contain or be subject to substantially the following nondiscrimination or  
17 nonsegregation clauses:

- 18       a. In deeds: “The grantee herein covenants by and for himself or herself, his or her  
19 heirs, executors, administrators, and assigns, and all persons claiming under or  
20 through them, that there shall be no discrimination against or segregation of,  
21 any person or group of persons on account of any basis listed in subdivision (a)  
22 or (d) of Section 12955 of the Government Code, as those bases are defined in  
23 Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p)  
24 of Section 12955, and Section 12955.2 of the Government Code, in the sale,  
25 lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises  
26 herein conveyed, nor shall the grantee or any person claiming under or through  
27 him or her, establish or permit any practice or practices of discrimination or

1 segregation with reference to the selection, location, number, use or occupancy  
2 of tenants, lessees, subtenants, sublessees, or vendees in the premises herein  
3 conveyed. The foregoing covenants shall run with the land.”

4 b. In leases: “The lessee herein covenants by and for himself or herself, his or her  
5 heirs, executors, administrators, and assigns, and all persons claiming under or  
6 through him or her, and this lease is made and accepted upon and subject to the  
7 following conditions: That there shall be no discrimination against or  
8 segregation of any person or group of persons, on account of any basis listed in  
9 subdivision (a) or (d) of Section 12955 of the Government Code, as those bases  
10 are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of  
11 subdivision (p) of Section 12955, and Section 12955.2 of the Government  
12 Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or  
13 enjoyment of the premises herein leased nor shall the lessee himself or herself,  
14 or any person claiming under or through him or her, establish or permit any  
15 such practice or practices of discrimination or segregation with reference to the  
16 selection, location, number, use, or occupancy, of tenants, lessees, sublessees,  
17 subtenants, or vendees in the premises herein leased.”

18 c. In contracts: “There shall be no discrimination against or segregation of any  
19 person or group of persons, on account of any basis listed in subdivision (a) or  
20 (d) of Section 12955 of the Government Code, as those bases are defined in  
21 Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p)  
22 of Section 12955, and Section 12955.2 of the Government Code, in the sale,  
23 lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor  
24 shall the transferee itself or any person claiming under or through him or her,  
25 establish or permit any such practice or practices of discrimination or  
26 segregation with reference to the selection, location, number, use, or  
27 occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the land.”

1 In addition to the obligations and duties of BORROWER set forth herein, BORROWER  
2 shall, upon notice from COUNTY, promptly pay to COUNTY all fees and costs, including  
3 administrative and attorneys' fees, incurred by COUNTY in connection with responding to or  
4 defending any discrimination claim brought by any third party and/or local, state or federal  
5 government entity, arising out of or in connection with this Agreement or the Covenant Agreement  
6 attached hereto.

7 25. PROHIBITION AGAINST CONFLICTS OF INTEREST:

8 a. Reserved.

9 b. Reserved.

10 c. Prior to any funding under this Agreement, BORROWER shall provide  
11 COUNTY with a list of all employees, agents, consultants, officers and elected  
12 and appointed officials who are in a position to participate in a decision-making  
13 process, exercise any functions or responsibilities, or gain inside information  
14 with respect to the activities funded under this Agreement. BORROWER shall  
15 also promptly disclose to COUNTY any potential conflict, including even the  
16 appearance of conflict that may arise, with respect to the activities funded under  
17 this Agreement.

18 d. Any violation of this section shall be deemed a material breach of this  
19 Agreement, and the Agreement shall be immediately terminated by COUNTY.

20 26. INTENTIONALLY OMITTED.

21 27. PROJECT MONITORING AND EVALUATION.

22 a. Inspections. During the Affordability Period, COUNTY will perform on-site  
23 inspections of the Project to determine compliance with the property standards  
24 and to verify the information submitted by the owners in accordance with  
25 requirements. The on-site inspections must occur within 12 months after  
26 Covenant Agreement and at least once every 3 years thereafter during the  
27 Affordability Period. If there are observed deficiencies for any of the

1 inspectable items in the property standards established by COUNTY, a follow-  
2 up on-site inspection to verify that deficiencies are corrected must occur within  
3 12 months. COUNTY may establish a list of non-hazardous deficiencies for  
4 which correction can be verified by third party documentation (e.g., paid  
5 invoice for work order) rather than re-inspection. Health and safety deficiencies  
6 must be corrected immediately. COUNTY must adopt a more frequent  
7 inspection schedule for properties that have been found to have health and  
8 safety deficiencies.

9 28. MONITORING FEE. BORROWER shall pay an annual compliance monitoring  
10 fee to the COUNTY in the total annual amount of \$11,500 (increased annually by an amount  
11 equal to the increase of the Consumer Price Index (CPI) for the San Bernardino-Riverside-  
12 Ontario, CA area, but in no event to exceed 5% annually) ("Monitoring Fee"). The first  
13 Monitoring Fee payment is due on July 1st of each year for the monitoring period of July 1st to  
14 June 30th commencing on the July 1st following the issuance of a Certificate of Occupancy for  
15 the Project and may be pro-rated for a partial first year. The Monitoring Fee will be due on each  
16 July 1st thereafter and will continue until the expiration of the Affordability Period. The  
17 Monitoring Fee is to be adjusted upwards annually, increased by an amount equal to the increase  
18 in CPI for the San Bernardino-Riverside-Ontario, CA area. In the event of a decrease in the  
19 applicable CPI, the Monitoring Fee currently in effect shall remain the same and shall not  
20 decrease.

21 29. ACCESS TO PROJECT SITE. COUNTY and/or state awarding agencies shall  
22 have the right to access the Project site and the Property at and upon completion of the Project  
23 upon written notice to BORROWER, to review the operation of the Project in accordance with  
24 this Agreement, subject to the rights of tenants.

25 30. EVENTS OF DEFAULT. The occurrence of any of the following events shall,  
26 after the expiration of any applicable notice and cure period, constitute an "Event of Default"  
27 under this Agreement:

- 1 a. Monetary Default. (1) BORROWER's failure to pay when due any sums  
2 payable under this Agreement, the Covenant Agreement, the HHIP Note or any  
3 advances made by COUNTY under this Agreement; (2) BORROWER's or any  
4 agent of BORROWER's use of HHIP funds for costs other than those costs  
5 permitted under this Agreement or for uses inconsistent with terms and  
6 restrictions set forth in this Agreement; (3) BORROWER's or any agent of  
7 BORROWER's failure to make any other payment of any assessment or tax  
8 due under this Agreement, and /or (4) default under the terms of any senior  
9 loan documents or any other instrument or document secured against the  
10 Property;
- 11 b. Non-Monetary Default. (1) Discrimination by BORROWER or  
12 BORROWER's agent(s) on the basis of characteristics prohibited by this  
13 Agreement or applicable law; (2) the imposition of any encumbrances or liens  
14 on the Project without COUNTY's prior written approval that are prohibited  
15 under this Agreement or that have the effect of reducing the priority or  
16 invalidating the lien of the Deed of Trust; (3) BORROWER's failure to obtain  
17 and maintain the insurance coverage required under this Agreement; (4) any  
18 material default under this Agreement, the Loan Deed of Trust, Covenant  
19 Agreement, Note or any document executed by the County in connection with  
20 this Agreement, and /or (5) a default under the terms of any senior loan  
21 documents or any other instrument or document secured against the Property or  
22 the Project;
- 23 c. General Performance of Loan Obligations. Any substantial or continuous or  
24 repeated breach by BORROWER or BORROWER's agents of any material  
25 obligations of BORROWER under this Agreement;
- 26 d. General Performance of Other Obligations. Any substantial or continuous or  
27 repeated breach by BORROWER or BORROWER's agents of any material

1 obligations of BORROWER related to the Project imposed by any other  
2 agreement with respect to the financing, development, or operation of the  
3 Project; whether or not COUNTY is a party to such agreement; but only  
4 following any applicable notice and cure periods with respect to any such  
5 obligation;

6 e. Representations and Warranties. A determination by COUNTY that any of  
7 BORROWER's representations or warranties made in this Agreement, any  
8 statements made to COUNTY by BORROWER, or any certificates, documents,  
9 or schedules supplied to COUNTY by BORROWER were false in any material  
10 respect when made, or that BORROWER concealed or failed to disclose a  
11 material fact to COUNTY.

12 f. Damage to Project. In the event that the Project is materially damaged or  
13 destroyed by fire or other casualty, and BORROWER receives an award or  
14 insurance proceeds sufficient for the repair or reconstruction of the Project, and  
15 BORROWER does not use such award or proceeds to repair or reconstruct the  
16 Project.

17 g. Bankruptcy, Dissolution and Insolvency. BORROWER's or any general  
18 partner of BORROWER's (1) filing for bankruptcy, dissolution, or  
19 reorganization, or failure to obtain a full dismissal of any such involuntary filing  
20 brought by another party before the earlier of final relief or ninety (90) days  
21 after such filing; (2) making a general assignment for the benefit of creditors;  
22 (3) applying for the appointment of a receiver, trustee, custodian, or liquidator,  
23 or failure to obtain a full dismissal of any such involuntary application brought  
24 by another party before the earlier of final relief or ninety (90) days after such  
25 filing; (4) insolvency; or (5) failure, inability or admission in writing of its  
26 inability to pay its debts as they become due.

27 31. NOTICE OF DEFAULT AND OPPORTUNITY TO CURE. Formal notices,

1 demands and communications between the COUNTY and the BORROWER shall be  
2 sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt  
3 requested, to the principal offices of the COUNTY and the BORROWER, as designated in  
4 **Section 53**, below. Such written notices, demands and communications may be sent in the same  
5 manner to such other addresses as either party may from time to time designate by mail as  
6 provided in this **Section 31**. Any notice that is personally delivered (including by means of  
7 professional messenger service, courier service such as United Parcel Service or Federal  
8 Express, or by U.S. Postal Service), shall be deemed received on the documented date of receipt  
9 by the recipient; and any notice that is sent by registered or certified mail, postage prepaid,  
10 return receipt required shall be deemed received on the date of delivery thereof.

- 11 a. Subject to the Force Majeure Delay, as provided in **Section 10**, failure or delay  
12 by BORROWER to perform any term or provision of this Agreement  
13 constitutes a default under this Agreement, subject to the notice and cure  
14 periods set forth herein. BORROWER must commence to cure, correct or  
15 remedy such failure or delay and shall complete such cure, correction or remedy  
16 with reasonable diligence as set forth herein.
- 17 b. COUNTY shall give written notice of default to BORROWER, with a copy to  
18 BORROWER'S limited partner at the address set forth below, specifying the  
19 default complained of by COUNTY. Failure or delay in giving such notice  
20 shall not constitute a waiver of any default, nor shall it change the time of  
21 default. Except as otherwise expressly provided in this Agreement, any failures  
22 or delays by COUNTY in asserting any of its rights and remedies as to any  
23 default shall not operate as a waiver of any default or of any such rights or  
24 remedies. Delays by COUNTY in asserting any of its rights and remedies shall  
25 not deprive COUNTY of its right to institute and maintain any actions or  
26 proceedings which it may deem necessary to protect, assert or enforce any such  
27 rights or remedies.

1 c. If a monetary event of default occurs, prior to exercising any remedies  
2 hereunder, COUNTY shall give BORROWER written notice of such default.  
3 BORROWER shall have a period of thirty (30) days after such notice is given  
4 within which to cure the default prior to exercise of remedies by COUNTY.

5 d. If a non-monetary event of default occurs, prior to exercising any remedies  
6 hereunder, COUNTY shall give BORROWER written notice of such default.  
7 If the default is reasonably capable of being cured within thirty (30) days,  
8 BORROWER shall have such period to effect a cure prior to exercise of  
9 remedies by COUNTY. If the default is such that it is not reasonably capable  
10 of being cured within thirty (30) days, and BORROWER (i) initiates corrective  
11 action within said period, and (ii) diligently, continually, and in good faith  
12 works to effect a cure as soon as possible, then BORROWER shall have such  
13 additional time as is reasonably necessary to cure the default prior to exercise  
14 of any remedies by the injured party, but in no event no more than ninety (90)  
15 days from the date of the notice of default. In no event shall COUNTY be  
16 precluded from exercising remedies if its security becomes or is about to  
17 become materially jeopardized by any failure to cure a default or the default is  
18 not cured within ninety (90) days after the first notice of default is given.

19 e. Any cure tendered by BORROWER'S affiliates and/or limited partner of  
20 BORROWER shall be accepted or rejected on the same basis as if tendered by  
21 BORROWER.

22 32. COUNTY REMEDIES. Upon the occurrence of an Event of Default, after notice  
23 and opportunity to cure, COUNTY's obligation to disburse Loan funds shall terminate, and  
24 COUNTY shall also have the right, but not the obligation to, in addition to other rights and  
25 remedies permitted by this Agreement or applicable law, proceed with any or all of the  
26 following remedies in any order or combination COUNTY may choose in its sole discretion:

27 a. Terminate this Agreement, in which event the entire Loan amount as well as

1 any other monies advanced to BORROWER by COUNTY under this  
2 Agreement including administrative costs, shall immediately become due and  
3 payable to COUNTY at the option of COUNTY.

4 b. Bring an action in equitable relief (1) seeking the specific performance by  
5 BORROWER of the terms and conditions of this Agreement, and/or (2)  
6 enjoining, abating, or preventing any violation of said terms and conditions,  
7 and/or (3) seeking declaratory relief.

8 c. Accelerate the Loan and demand immediate full payment of the principal  
9 payment outstanding and all accrued interest under the Note, as well as any  
10 other monies advanced to BORROWER by COUNTY under this Agreement.

11 d. Enter the Project and take any remedial actions necessary in its judgment with  
12 respect to hazardous materials that COUNTY deems necessary to comply with  
13 hazardous materials laws or to render the Project suitable for occupancy, which  
14 costs shall be due and payable by BORROWER to COUNTY.

15 e. Enter upon, take possession of, and manage the Project, either in person, by  
16 agent, or by a receiver appointed by a court, and collect rents and other amounts  
17 specified in the assignment of rents in the Deed of Trust and apply them to  
18 operate the Project or to pay off the Loan or any advances made under this  
19 Agreement, as provided for by the Deed of Trust.

20 f. Pursue any other remedies allowed at law or in equity.

21 33. RESERVED.

22 34. BORROWER'S WARRANTIES. BORROWER represents and warrants (1) that  
23 it has access to professional advice and support to the extent necessary to enable BORROWER  
24 to fully comply with the terms of this Agreement, and to otherwise carry out the Project, (2)  
25 that it is duly organized, validly existing and in good standing under the laws of the State of  
26 California, (3) that it has the full power and authority to undertake the Project and to execute  
27 this Agreement, (4) that the persons executing and delivering this Agreement are authorized to

1 execute and deliver such documents on behalf of BORROWER and (5) that neither  
2 BORROWER nor any of its principals is presently debarred, suspended, proposed for  
3 debarment, declared ineligible, or voluntarily excluded from participation in connection with  
4 the transaction contemplated by this Agreement.

5 35. RESERVED.

6 36. HOLD HARMLESS AND INDEMNIFICATION. BORROWER shall indemnify  
7 and hold harmless the County of Riverside, its Agencies, Boards, Districts, Special Districts and  
8 Departments, their respective directors, officers, Board of Supervisors, elected and appointed  
9 officials, employees, agents and representatives (collectively the "Indemnified Parties") from any  
10 liability whatsoever, based or asserted upon any services of BORROWER, its officers,  
11 employees, subcontractors, agents or representatives arising out of their performance under this  
12 Agreement, including but not limited to property damage, bodily injury, or death or any other  
13 element of any kind or nature whatsoever arising from the performance of BORROWER, its  
14 officers, agents, employees, subcontractors, agents or representatives under this Agreement,  
15 except in the event of the gross negligence or willful misconduct of the Indemnified Parties;  
16 provided, however, any gross negligence or willful misconduct of the Indemnified Parties will  
17 only affect the duty to indemnify for the specific act found to be gross negligence or willful  
18 misconduct, and will not preclude a duty to indemnify for any act or omission of BORROWER.  
19 BORROWER shall defend, at its sole expense, all costs and fees including, but not limited, to  
20 attorney fees, cost of investigation, defense and settlements or awards, the County of Riverside,  
21 its Agencies, Districts, Special Districts and Departments, their respective directors, officers,  
22 Board of Supervisors, elected and appointed officials, employees, agents and representatives in  
23 any claim or action based upon such alleged acts or omissions.

24 With respect to any action or claim subject to indemnification herein by BORROWER,  
25 BORROWER shall, at its sole cost, have the right to use counsel of its own choice and shall have  
26 the right to adjust, settle, or compromise any such action or claim without the prior consent of  
27 COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner

1 whatsoever limits or circumscribes BORROWER'S indemnification to COUNTY as set forth  
2 herein.

3 BORROWER's obligation hereunder shall be satisfied when BORROWER has provided  
4 to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action  
5 or claim involved.

6 The specified insurance limits required in this Agreement shall in no way limit or  
7 circumscribe BORROWER's obligations to indemnify and hold harmless COUNTY herein from  
8 third party claims.

9 In the event there is conflict between this clause and California Civil Code Section 2782,  
10 this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not  
11 relieve BORROWER from indemnifying COUNTY to the fullest extent allowed by law.

12 BORROWER's obligations set forth in this **Section 36** shall survive the expiration or  
13 earlier termination of this Agreement.

14 37. TERMINATION.

15 a. BORROWER. BORROWER may terminate this Agreement prior to  
16 disbursement of any Loan funds by COUNTY in accordance with the applicable  
17 HHIP regulations.

18 b. COUNTY. Notwithstanding the provisions of **Section 37.a.**, COUNTY may  
19 suspend or terminate this Agreement upon written notice to BORROWER of  
20 the action being taken and the reason for such action in the event one of the  
21 following events occur:

22 (i) In the event BORROWER fails to perform the covenants herein  
23 contained at such times and in such manner as provided in this  
24 Agreement after the applicable notice and cure provision hereof; or

25 (ii) In the event there is a conflict with any federal, state or local law,  
26 ordinance, regulation or rule rendering any material provision, in the  
27 judgment of COUNTY of this Agreement invalid or untenable; or

1 (iii)Reserved.

2 (iv)This Agreement may be terminated or funding suspended in whole or in  
3 part for cause. Cause shall be based on the failure of BORROWER to  
4 materially comply with either the terms or conditions of this Agreement  
5 after the expiration of all applicable notice and cure provisions hereof.  
6 Upon suspension of funding, BORROWER agrees not to incur any costs  
7 related thereto, or connected with, any area of conflict from which  
8 COUNTY has determined that suspension of funds is necessary.

9 c. Upon expiration or earlier termination of this Agreement, BORROWER shall  
10 transfer to COUNTY any unexpended Funds in its possession at the time of  
11 expiration of the Agreement as well as any accounts receivable held by  
12 BORROWER which are attributable to the use of Funds awarded pursuant to  
13 this Agreement.

14 38. AFFORDABILITY RESTRICTIONS. COUNTY and BORROWER, on behalf of  
15 its successors and assigns, hereby declare their express intent that the restrictions set forth in this  
16 Agreement shall continue in full force and effect for the duration of the Affordability Period (as  
17 defined in **Section 14** above). Each and every contract, deed or other instrument hereafter  
18 executed covering and conveying the Property or any portion thereof shall be held conclusively  
19 to have been executed, delivered and accepted subject to such restrictions, regardless of whether  
20 such restrictions are set forth in such contract, deed or other instrument. BORROWER shall  
21 execute and record as a lien against the Property, a Covenant Agreement, substantially  
22 conforming in form and substance to the Covenant Agreement attached hereto as **Exhibit E** and  
23 incorporated herein by this reference, setting forth the affordability use and income restriction  
24 required in this Agreement.

25 a. Float-up: Notwithstanding anything to the covenant or this Agreement to the  
26 contrary, the Parties agree that the following shall apply to the Assisted Units:

27 i. COUNTY agrees that, upon BORROWER's request and COUNTY's

1 written approval, the maximum tenant household income and maximum  
2 annual rent for Assisted Units may be increased to amounts necessary to  
3 make operation of the Project financially feasible as determined by the  
4 BORROWER, including the payment of all required operating costs and  
5 debt service, but in no event may (a) the maximum tenant household  
6 income limitation exceed 60 percent of AMI as published by the California  
7 Tax Credit Allocation Committee ("TCAC") or, (b) the maximum annual  
8 rent limitation for 60% income level households in Riverside County  
9 adjusted for family size appropriate for the unit, as published by TCAC.

10 ii. In the case of increases due to a foreclosure of any approved financing or  
11 deed in lieu thereof, the above increases may continue until such time, if  
12 any, that the rental assistance or equivalent operating subsidy is restored.  
13 Notwithstanding anything to the contrary in this section, the BORROWER  
14 may not displace tenant households and must use good faith efforts to  
15 reduce the effect of rent increases permitted to be imposed on existing  
16 tenant households by (a) the use of operating and transition reserves to the  
17 extent such funds exist and are available, and (b) the use of other subsidy  
18 sources available that would mitigate the rent increases.

19 iii. If Rent increases on the Assisted Units are necessary, after exhausting all  
20 transition reserve funds such increases shall only be permitted to the  
21 minimum extent required for financial feasibility, as reasonably  
22 determined by BORROWER and approved by COUNTY, which approval  
23 shall not, in any event, be increased to an amount in excess of the rent  
24 published by TCAC for 60% income level households in Riverside County  
25 adjusted for family size appropriate for the unit. The COUNTY shall be  
26 notified at least six (6) months in advance of any Rent increase on the  
27 Assisted Units.

1           iv. In order to enact an increase in the maximum household income and rents  
2           for an Assisted Unit for the Project, the BORROWER must submit a  
3           written request to the COUNTY which shall outline a plan with an  
4           explanation of the fiscal necessity of adjusting the maximum household  
5           income and the rents charged for the Assisted Units. The plan shall provide  
6           the following items along with any additional requirements from the  
7           COUNTY:

8                   (i) An explanation of the efforts the BORROWER has made to secure  
9                   other rental subsidies to sustain overall project operations;

10                  (ii) An explanation of the fiscal necessity of adjusting the maximum  
11                  household income and the rents charged for the Assisted Units;

12                  (iii) A process for increasing the Project rent for all affected units  
13                  (Assisted Units and non-restricted units) and make reasonable  
14                  efforts to continue to market and rent Project units to members of  
15                  the target population originally contemplated, as well as ensuring  
16                  that any increases to the household income limit are applied, as  
17                  much as possible, only to vacant units as they become available.  
18                  This portion of the plan shall discuss changes in both maximum  
19                  household incomes and rents and;

20                  (iv) The plan for continuing, throughout the term of this Agreement, to  
21                  apply for other subsidies that will allow a return of all project units  
22                  to members of the target population and rents originally  
23                  contemplated.

24           39.    MECHANICS LIENS AND STOP NOTICES. If any claim of mechanics lien is  
25    filed against the Project or a stop notice affecting the Loan is served on COUNTY, BORROWER  
26    must, within twenty (20) calendar days of such filing or notification of service, either pay and  
27    fully discharge the lien or stop notice, obtain a release of the lien or stop notice by delivering to

1 COUNTY a surety bond in sufficient form and amount, or provide COUNTY with other  
2 assurance reasonably satisfactory to COUNTY that the lien or stop notice will be paid or  
3 discharged.

4 40. ENTIRE AGREEMENT. It is expressly agreed that this Agreement embodies the  
5 entire agreement of the parties in relation to the subject matter hereof, and that no other agreement  
6 or understanding, verbal or otherwise, relative to this subject matter, exists between the parties at  
7 the time of execution.

8 41. AUTHORITY TO EXECUTE. The persons executing this Agreement or exhibits  
9 attached hereto on behalf of the parties to this Agreement hereby warrant and represent that they  
10 have the authority to execute this Agreement and warrant and represent that they have the  
11 authority to bind the respective parties to this Agreement to the performance of its obligations  
12 hereunder.

13 42. WAIVER. Failure by a party to insist upon the strict performance of any of the  
14 provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon  
15 the default of the other party, shall not constitute a waiver of such party's rights to insist and  
16 demand strict compliance by the other party with the terms of this Agreement thereafter.

17 43. INTERPRETATION AND GOVERNING LAW. This Agreement and any  
18 dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the  
19 State of California. This Agreement shall be construed as a whole according to its fair language  
20 and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of  
21 construction to the effect that ambiguities are to be resolved against the drafting party shall not  
22 be employed in interpreting this Agreement, all parties having been represented by counsel in the  
23 negotiation and preparation hereof.

24 44. JURISDICTION AND VENUE. Any action at law or in equity arising under this  
25 Agreement or brought by a party hereto for the purpose of enforcing, construing or determining  
26 the validity of any provision of this Agreement shall be filed in the Superior Court of Riverside  
27 County, State of California, and the parties hereto waive all provisions of law providing for the

1 filing, removal or change of venue to any other court or jurisdiction.

2 45. SEVERABILITY. Each paragraph and provision of this Agreement is severable  
3 from each other provision, and if any provision or part thereof is declared invalid, the remaining  
4 provisions shall nevertheless remain in full force and effect.

5 46. MINISTERIAL ACTS. COUNTY's Director of HWS, or designee, is authorized  
6 to take such ministerial actions as may be necessary or appropriate to implement the terms,  
7 provisions, and conditions of this Agreement as it may be amended from time to time by both  
8 parties.

9 47. MODIFICATION OF AGREEMENT. COUNTY or BORROWER may consider  
10 it in its best interest to change, modify or extend a term or condition of this Agreement, provided  
11 such change, modification or extension is agreed to in writing by the other party and approved in  
12 writing by the BORROWER's limited partner. Any such change, extension or modification,  
13 which is mutually agreed upon by COUNTY and BORROWER, and approved by the  
14 BORROWER's limited partner shall be incorporated in written amendments to this Agreement.  
15 Such amendments shall not invalidate this Agreement, nor relieve or release COUNTY or  
16 BORROWER from any obligations under this Agreement, except for those parts thereby  
17 amended. No amendment to this Agreement shall be effective and binding upon the parties, unless  
18 it expressly makes reference to this Agreement, is in writing, is signed and acknowledged by duly  
19 authorized representatives of all parties, and approved by the COUNTY.

20 48. CONDITIONAL COMMITMENT.

21 a. Construction. BORROWER must demonstrate that it is working towards  
22 obtaining financing to construct the Project in accordance with the scheduled  
23 Completion of Project Deadline consistent with the Implementation Schedule  
24 set forth in **Exhibit A-1**.

25 b. Completion. BORROWER shall proceed consistent with the Implementation  
26 Schedule set forth in **Exhibit A-1**. If BORROWER is unable to meet the  
27 condition as required by this **Section 48** including Extension, subject to Force

1 Majeure and notice and cure rights set forth herein, then COUNTY and  
2 BORROWER mutually agree that this Agreement will self-terminate and any  
3 HHIP Loan funds disbursed to BORROWER, if any, to date shall be returned  
4 to COUNTY within thirty (30) calendar days of such termination. Upon such  
5 termination, this Agreement shall become null and void. COUNTY and  
6 BORROWER shall be released and discharged respectively from their  
7 obligations under this Agreement, except for those provisions which by their  
8 terms survive termination. All costs incurred by each party on the Project will  
9 be assumed respectively.

10 49. INTENTIONALLY OMITTED.

11 50. INTENTIONALLY OMITTED.

12 51. EXHIBITS AND ATTACHMENTS. Each of the attachments and exhibits  
13 attached hereto is incorporated herein by this reference.

14 52. MEDIA RELEASES. BORROWER agrees to allow COUNTY to provide input  
15 regarding all media releases regarding the Project. Any publicity generated by BORROWER for  
16 the Project must make reference to the contribution of COUNTY in making the Project possible.  
17 COUNTY's name shall be prominently displayed in all pieces of publicity generated by  
18 BORROWER, including flyers, press releases, posters, signs, brochures, and public service  
19 announcements. BORROWER agrees to cooperate with COUNTY in any COUNTY-generated  
20 publicity or promotional activities with respect to the Project.

21 53. NOTICES. All notices, requests, demands and other communication required or  
22 desired to be served by either party upon the other shall be addressed to the respective parties as  
23 set forth below or the such other addresses as from time to time shall be designated by the  
24 respective parties and shall be sufficient if sent by United States first class, certified mail, postage  
25 prepaid, or express delivery service with a receipt showing the date of delivery.

26 COUNTY  
Director HWS  
27 County of Riverside

BORROWER  
Second Street Family LP  
c/o OHDC Second Street Family LLC

1 3403 10<sup>th</sup> Street, Suite 300  
2 Riverside, CA 92501

414 E. Chapman Avenue  
Orange, CA 92866  
Attn: Chief Executive Officer

3 With copies to:

4 C&C Second Street Family LLC  
5 14211 Yorba Street, Suite 200  
6 Tustin, CA 92780  
7 Attn: Todd Cottle

8 Goldfarb & Lipman LLP  
9 1300 Clay Street, 11th Floor  
10 Oakland, CA 94612  
11 Attn: Lynn Hutchins

12 And for so long as the limited partner of  
13 BORROWER:

14 NEF Assignment Corporation  
15 540 W. Madison Street, Suite 1900  
16 Chicago, IL 6066  
17 Attn: General Counsel

18 54. COUNTERPARTS. This Agreement may be signed by the different parties hereto  
19 in counterparts, each of which shall be an original but all of which together shall constitute one  
20 and the same agreement.

21 55. EFFECTIVE DATE. The effective date of this Agreement is the date the parties  
22 execute the Agreement (“Effective Date”). If the parties execute the Agreement on more than one  
23 date, then the last date the Agreement is executed by a party shall be the Effective Date.

24 56. FURTHER ASSURANCES. BORROWER shall execute any further documents  
25 consistent with the terms of this Agreement, including documents in recordable form, as the  
26 COUNTY may from time to time find necessary or appropriate to effectuate its purposes in  
27 entering into this Agreement.

57. NONLIABILITY OF COUNTY OFFICIALS AND EMPLOYEES. No member,  
official, employee or consultant of the COUNTY shall be personally liable to the BORROWER,  
or any successor in interest, in the event of any default or breach by the COUNTY or for any

1 amount which may become due to the BORROWER or to its successor, or on any obligations  
2 under the terms of this Agreement.

3 58. CONSTRUCTION AND INTERPRETATION OF AGREEMENT.

- 4 a. The language in all parts of this Agreement shall in all cases be construed  
5 simply, as a whole and in accordance with its fair meaning and not strictly for  
6 or against any party. The parties hereto acknowledge and agree that this  
7 Agreement has been prepared jointly by the parties and has been the subject of  
8 arm's length and careful negotiation over a considerable period of time, that  
9 each party has been given the opportunity to independently review this  
10 Agreement with legal counsel, and that each party has the requisite experience  
11 and sophistication to understand, interpret, and agree to the particular language  
12 of the provisions hereof. Accordingly, in the event of an ambiguity in or dispute  
13 regarding the interpretation of this Agreement, this Agreement shall not be  
14 interpreted or construed against the party preparing it, and instead other rules  
15 of interpretation and construction shall be utilized.
- 16 b. If any term or provision of this Agreement, the deletion of which would not  
17 adversely affect the receipt of any material benefit by any party hereunder, shall  
18 be held by a court of competent jurisdiction to be invalid or unenforceable, the  
19 remainder of this Agreement shall not be affected thereby and each other term  
20 and provision of this Agreement shall be valid and enforceable to the fullest  
21 extent permitted by law. It is the intention of the parties hereto that in lieu of  
22 each clause or provision of this Agreement that is illegal, invalid, or  
23 unenforceable, there be added as a part of this Agreement an enforceable clause  
24 or provision as similar in terms to such illegal, invalid, or unenforceable clause  
25 or provision as may be possible.
- 26 c. The captions of the articles, sections, and subsections herein are inserted solely  
27 for convenience and under no circumstances are they or any of them to be

1 treated or construed as part of this instrument.

2 d. References in this instrument to this Agreement mean, refer to and include this  
3 instrument as well as any riders, exhibits, addenda and attachments hereto  
4 (which are hereby incorporated herein by this reference) or other documents  
5 expressly incorporated by reference in this instrument. Any references to any  
6 covenant, condition, obligation, and/or undertaking “herein,” “hereunder,” or  
7 “pursuant hereto” (or language of like import) means, refer to, and include the  
8 covenants, obligations, and undertakings existing pursuant to this instrument  
9 and any riders, exhibits, addenda, and attachments or other documents affixed  
10 to or expressly incorporated by reference in this instrument.

11 e. As used in this Agreement, and as the context may require, the singular includes  
12 the plural and vice versa, and the masculine gender includes the feminine and  
13 vice versa.

14 59. TIME OF ESSENCE. Time is of the essence with respect to the performance of  
15 each of the covenants and agreements contained in this Agreement.

16 60. BINDING EFFECT. This Agreement, and the terms, provisions, promises,  
17 covenants and conditions hereof, shall be binding upon and shall inure to the benefit of the parties  
18 hereto and their respective heirs, legal representatives, successors and assigns.

19 61. NO THIRD-PARTY BENEFICIARIES. The parties to this Agreement  
20 acknowledge and agree that the provisions of this Agreement are for the sole benefit of COUNTY  
21 and BORROWER, and not for the benefit, directly or indirectly, of any other person or entity,  
22 except as otherwise expressly provided herein.

23 62. ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS.

24 a. This Agreement shall be executed in three duplicate originals each of which is  
25 deemed to be an original. This Agreement, including all attachments hereto  
26 and exhibits appended to such attachments shall constitute the entire  
27 understanding and agreement of the parties.

1 b. This Agreement integrates all of the terms and conditions mentioned herein or  
2 incidental hereto, and supersedes all negotiations or previous agreements  
3 between the parties with respect to all or any part of the Property.

4 c. All waivers of the provisions of this Agreement must be in writing and signed  
5 by the appropriate authorities of the COUNTY or the BORROWER, and all  
6 amendments hereto must be in writing and signed by the appropriate authorities  
7 of the COUNTY and the BORROWER. This Agreement and any provisions  
8 hereof may be amended by mutual written agreement by the BORROWER and  
9 the COUNTY.

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13 (SIGNATURES ON THE NEXT PAGE)

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IN WITNESS WHEREOF, COUNTY and BORROWER have executed this Agreement as of the dates written below.

COUNTY:

BORROWER:

COUNTY OF RIVERSIDE, a political subdivision of the State of California

**SECOND STREET FAMILY LP,**  
a California limited partnership

By: \_\_\_\_\_  
Heidi Marshall, Director HWS

By: OHDC Second Street Family LLC  
a California limited liability company,  
its managing general partner

By: Orange Housing Development  
Corporation, Inc., a California nonprofit  
public benefit corporation, its sole  
member and manager

By: \_\_\_\_\_  
Eunice Bobert,  
Chief Executive Officer

By: C&C Second Street Family LLC  
a California limited liability company,  
its developer general partner

By: C & C Development Co., LLC,  
a California limited liability  
company, its sole member and  
manager

By: \_\_\_\_\_  
Todd R. Cottle, its manager

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**(Above signatures need to be notarized)**

APPROVED AS TO FORM:  
MINH C. TRAN  
County Counsel

By: \_\_\_\_\_  
Amrit P. Dhillon, Deputy County Counsel

**ALL-PURPOSE ACKNOWLEDGMENT NOTARY FOR CALIFORNIA**

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 \_\_\_\_\_, 2025, before me, \_\_\_\_\_,  
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.

\_\_\_\_\_  
Signature of Notary Public

**ALL-PURPOSE ACKNOWLEDGMENT NOTARY FOR CALIFORNIA**

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 \_\_\_\_\_, 2025, before me, \_\_\_\_\_,  
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.

\_\_\_\_\_  
Signature of Notary Public

# EXHIBIT “A-1”

**Borrower:** Second Street Family LP  
**Address:** 414 E. Chapman Avenue, Orange, CA 92866  
**Project Title:** Second Street Family Apartments  
**Location:** SW and SE corners Buena Vista Avenue and Second Street, Corona, CA 92882;  
APN: 118-270-051, 053, -055, and 118-302-030

## **Project Description:**

Second Street Family Apartments is located at the southwest and southeast corners of Buena Vista Avenue and Second Street in the City of Corona, Riverside County, California (Assessor’s Parcel Numbers: 118-270-051, 118-270-051-53, 118-270-051-055, and 118-302-030). The site encompasses approximately 3.64 acres and is more particularly described in the legal description set forth below (“Property”).

The Proposed Project will consist of a total of 114 units across four multi-story apartment buildings, plus one three-bedroom manager’s unit. The residential unit mix will consist of 6 studios, 18 one-bedroom units, 46 two-bedroom units, and 45 three-bedroom units. A total of twenty (20) units shall be reserved as Assisted Units, which will be restricted to households whose incomes do not exceed 30% AMI of Riverside County, and will have a preference when vacancies arise after initial occupancy for families who are homeless or at risk of homelessness.

## **IMPLEMENTATION SCHEDULE**

<b>Milestone</b>	<b>Completion Date</b>
1. Acquisition of Property	November 1, 2025
2. Construction Start Deadline	December 1, 2025
3. Completion of Project Deadline	June 30, 2029

**Second Street Family Apartments  
Financial Pro Forma**

**Sources and Uses of Funds; Development Budget; Operating & Loan Details**

<INSERT FINAL PRO FORMA>

**EXHIBIT A**  
**Legal Description of Property**

**ACCESSOR'S PARCEL NUMBERS: 118-270-051; 118-270-053; 118-270-055**

PARCEL "B" AS SHOWN ON LOT LINE ADJUSTMENT NO. 25-003, AS SHOWN ON DOCUMENT RECORDED \_\_\_\_\_ AS DOCUMENT NO. \_\_\_\_\_, OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT 5, IN BLOCK 66 OF LANDS OF THE SOUTH RIVERSIDE LAND AND WATER COMPANY, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING PORTIONS OF CALTRANS PARCELS 22219-REM AND 22222-REM AS DESCRIBED IN GRANT DEED RECORDED NOVEMBER 8, 2019 AS INSTRUMENT NO. 2019-462265, OF OFFICIAL RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS A WHOLE AS FOLLOWS:

**BEGINNING** AT THE CENTERLINE INTERSECTION OF S BUENA VISTA AVENUE AND W 6TH STREET, AS SHOWN ON A MAP FILED IN BOOK 143, PAGES 94 THROUGH 113, INCLUSIVE OF RECORDS OF SURVEYS, RECORDS OF SAID COUNTY;

THENCE ALONG SAID CENTERLINE OF S BUENA VISTA AVENUE NORTH 08°02'08" EAST 1,479.22 FEET;

THENCE LEAVING SAID CENTERLINE, NORTH 81°57'52" WEST 30.00 FEET TO A POINT IN THE WESTERLY RIGHT-OF-WAY OF S BUENA VISTA AVENUE (60 FEET WIDE), AND THE EASTERLY LINE OF SAID LOT 5, AND THE NORTHERLY LINE OF SAID GRANT DEED, AND THE **TRUE POINT OF BEGINNING**;

THENCE, ALONG SAID NORTHERLY LINE, THE FOLLOWING SIX (6) COURSES:

- 1) NORTH 38°05'40" WEST 22.46 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 9,968.25 FEET, A RADIAL LINE FROM SAID BEGINNING OF CURVE BEARS SOUTH 05°40'54" WEST;
- 2) WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 28.63 FEET THROUGH A CENTRAL ANGLE OF 00°09'52";
- 3) ALONG A LINE NON-TANGENT TO SAID CURVE, NORTH 84°28'59" WEST 172.40 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 968.02 FEET;
- 4) WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 365.82 FEET THROUGH A CENTRAL ANGLE OF 21°39'11" TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 50.00 FEET, A RADIAL LINE FROM SAID BEGINNING OF A CURVE BEARS SOUTH 16°08'10" EAST;
- 5) WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 2.96 FEET THROUGH A CENTRAL ANGLE OF 03°23'25";
- 6) SOUTH 70°28'25" WEST 5.40 FEET;

THENCE LEAVING SAID NORTHERLY LINE, SOUTH 08°03'29" WEST, 190.36 FEET TO THE SOUTH LINE OF THE NORTHERLY RECTANGULAR 20 FEET OF THE SOUTHERLY 2.5 ACRES OF SAID LOT 5;

THENCE ALONG SAID SOUTH LINE, SOUTH 82°00'00" EAST, 578.40 FEET TO SAID WESTERLY RIGHT-OF-WAY LINE OF S BUENA VISTA AVENUE;

THENCE ALONG SAID WESTERLY RIGHT-OF-WAY AND SAID EASTERLY LINE, NORTH 08°02'08" EAST, 270.96 FEET TO THE **TRUE POINT OF BEGINNING**.

THE ABOVE DESCRIBED PARCEL CONTAINS 3.451 ACRES, MORE OR LESS.

**ACCESSOR'S PARCEL NUMBER: 118-302-030**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT 10, IN BLOCK 64 OF LANDS OF THE SOUTH RIVERSIDE LAND AND WATER COMPANY, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. BEING A PORTION OF THE LAND DESCRIBED IN THE DEED RECORDED JUNE 23, 1992 AS INSTRUMENT NO. 230917 OF OFFICIAL RECORDS OF SAID COUNTY, LYING SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE CENTERLINE INTERSECTION OF BUENA VISTA AVENUE AND 6TH STREET, AS SHOWN ON THE RECORD OF SURVEY FILED IN BOOK 143, PAGES 94 THROUGH 113, INCLUSIVE OF RECORDS OF SURVEY, RECORDS OF SAID COUNTY; THENCE NORTH 08° 02' 08" EAST 1482.02 FEET ALONG THE CENTERLINE OF SAID BUENA VISTA AVENUE; THENCE SOUTH 81° 57' 52" EAST 30.00 FEET TO THE EASTERLY LINE OF SAID BUENA VISTA AVENUE AND THE TRUE POINT OF BEGINNING; THENCE NORTH 52° 08' 39" EAST 22.39 FEET TO A NON-TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 9968.00 FEET, A RADIAL LINE TO SAID CURVE BEARS NORTH 06° 12' 34" EAST; THENCE EASTERLY 571.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 03° 16' 56"; THENCE SOUTH 80° 30' 30" EAST 51.02 FEET; THENCE SOUTH 33° 51' 13" EAST 39.01 FEET TO A LINE THAT IS PARALLEL WITH AND 0.25 FEET WESTERLY OF THE EASTERLY LINE OF LOT 9 IN BLOCK 64 OF SOUTH RIVERSIDE LAND AND WATER COMPANY LANDS, AS SHOWN BY MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, STATE OF CALIFORNIA; THENCE SOUTH 08° 03' 40" WEST 11.86 FEET ALONG SAID PARALLEL LINE TO THE SOUTHERLY LINE OF THE NORTHERLY 100.00 FEET OF THE SOUTHERLY 198.00 FEET OF SAID LOT 9 AND THE POINT OF TERMINATION.

Assessor's Parcel Number: **118-270-051, 118-270-053, 118-270-055 and 118-302-030**

# **EXHIBIT “B”**

## **DEED OF TRUST**

EXEMPT RECORDING FEE CODE 6103

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

County of Riverside  
Housing and Workforce Solutions  
3403 10<sup>th</sup> Street, Suite 300  
Riverside, CA 92501  
Attn. Alicia Jaimes

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**DEED OF TRUST, SECURITY  
AGREEMENT AND FIXTURE FILING**  
(WITH ASSIGNMENT OF RENTS)

This DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING (WITH ASSIGNMENT OF RENTS) (“Deed of Trust”) is made this \_\_\_\_ day of \_\_\_\_\_, 2025 by Second Street Family LP, a California limited partnership, (hereinafter referred to as “Trustor”), whose address is 414 E. Chapman Avenue, Orange, CA 92866, Attention: Managing General Partner. The trustee is Commonwealth Land Title Company (“Trustee”). The beneficiary is the County of Riverside, a political subdivision of the State of California, (hereinafter called “Beneficiary”), whose address is 3403 10<sup>th</sup> Street, Suite 300, Riverside, CA 92501.

WITNESSETH: That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to Trustee, its successors and assigns, in Trust, with POWER OF SALE TOGETHER WITH RIGHT OF ENTRY AND POSSESSION the following property (the “Trust Estate”):

(A) Trustor’s interest in the real property in the City of Corona, County of Riverside, State of California more particularly described in **Exhibit A** attached hereto and incorporated herein by this reference (such interest in real property is hereafter referred to as the “Subject Property”);

(B) All buildings, structures and other improvements now or in the future located or to be constructed on the Subject Property (the “Improvements”);

(C) all tenements, hereditaments, appurtenances, privileges, franchises and other rights and interests now or in the future benefiting or otherwise relating to the Subject Property or the Improvements, including easements, rights-of-way and development rights (the “Appurtenances”). (The Appurtenances, together with the Subject Property and the Improvements, are hereafter referred to as the “Real Property”);

(D) All rents, issues, income, revenues, royalties and profits now or in the future payable with respect to or otherwise derived from the Trust Estate or the Trustor's use, management, operation leasing or occupancy of the Trust Estate, including those past due and unpaid (the "Rents");

(E) all present and future right, title and interest of Trustor in and to all inventory, equipment, fixtures and other goods (as those terms are defined in Division 9 of the California Uniform Commercial Code (the "UCC"), and whether existing now or in the future) now or in the future located at, upon or about, or affixed or attached to or installed in, the Real Property, or used or to be used in connection with or otherwise relating to the Real Property or the ownership, use, development, construction, maintenance, management, operation, marketing, leasing or occupancy of the Real Property, including furniture, furnishings, theater equipment, seating, machinery, appliances, building materials and supplies, generators, boilers, furnaces, water tanks, heating ventilating and air conditioning equipment and all other types of tangible personal property of any kind or nature, and all accessories, additions, attachments, parts, proceeds, products, repairs, replacements and substitutions of or to any of such property, but not including personal property that is donated to Trustor (the "Goods," and together with the Real Property, the "Property"); and

(F) all present and future right, title and interest of Trustor in and to all accounts, general intangibles, chattel paper, deposit accounts, money, instruments and documents (as those terms are defined in the UCC) and all other agreements, obligations, rights and written material (in each case whether existing now or in the future) now or in the future relating to or otherwise arising in connection with or derived from the Property or any other part of the Trust Estate or the Ownership, use, development, construction, maintenance, management, operation, marketing, leasing, occupancy, sale or financing of the Property or any other part of the Trust Estate, including (to the extent applicable to the Property or any other portion of the Trust Estate) (i) permits, approvals and other governmental authorizations, (ii) improvement plans and specifications and architectural drawings, (iii) agreements with contractors, subcontractors, suppliers, project managers, supervisors, designers, architects, engineers, sales agents, leasing agents, consultants and property managers, (iv) takeout, refinancing and permanent loan commitments, (v) warranties, guaranties, indemnities and insurance policies, together with insurance payments and unearned insurance premiums, (vi) claims, demands, awards, settlements, and other payments arising or resulting from or otherwise relating to any insurance or any loss or destruction of, injury or damage to, trespass on or taking, condemnation (or conveyance in lieu of condemnation) or public use of any of the Property, (vii) license agreements, service and maintenance agreements, purchase and sale agreements and purchase options, together with advance payments, security deposits and other amounts paid to or deposited with Trustor under any such agreements, (viii) reserves, deposits, bonds, deferred payments, refunds, rebates, discounts, cost savings, escrow proceeds, sale proceeds and other rights to the payment of money, trade names, trademarks, goodwill and all other types of intangible personal property of any kind or nature, and (ix) all supplements, modifications, amendments, renewals, extensions, proceeds, replacements and substitutions of or to any of such property (the "Intangibles").

Trustor further grants to Trustee and Beneficiary, pursuant to the UCC, a security interest in all present and future right, title and interest of Trustor in and to all Goods and Intangibles and

all of the Trust Estates described above in which a security interest may be created under the UCC (collectively, the “Personal Property”). This Deed of Trust constitutes a security agreement under the UCC, conveying a security interest in the Personal Property to Trustee and Beneficiary subject to the rights of Senior Lien Holders (as defined in Section 10.a.). Trustee and Beneficiary shall have, in addition to all rights and remedies provided herein, all the rights and remedies of a “secured party” under the UCC and other applicable California law. Trustor covenants and agrees that this Deed of Trust constitutes a fixture filing under Section 9334 and 9502(b) of the UCC.

FOR THE PURPOSE OF SECURING, in such order of priority as Beneficiary may elect, the following:

- i. due, prompt and complete observance, performance and discharge of each and every condition, obligation, covenant and agreement contained herein or contained in the following:
  - (a) that certain Promissory Note (Loan) in favor of the Beneficiary (“County” therein) executed by Trustor (“Borrower” therein) of even date herewith (the “Note”) in the principal amount of \$4,000,000.00.
  - (b) \$3,000,000 of the Loan is derived from Housing and Homelessness Incentive Program (“HHIP”) funds accepted by the COUNTY’s Board of Supervisors on January 10, 2023, via Minute Order 3.15, as amended on October 3, 2023 via Minute Order 3.17, and \$1,000,000 of the Loan is derived from COUNTY General Funds (“General Funds”) approved by the COUNTY’s Board of Supervisors on June 24, 2025 via Minute Order 3.5. Together, the HHIP Funds and General Funds are referred to herein as the “Funds” or the “Loan” allocated by COUNTY to pay a portion of the development and construction of Second Street Family Apartments.
  - (c) that certain Loan Agreement for Second Street Family Apartments dated \_\_\_\_\_, 2025 and recorded in the Official Records of the County of Riverside (“Official Records”) concurrently herewith, between Trustor (“Borrower” therein) and Beneficiary (“County” therein) (the “Loan Agreement”); and
  - (d) that certain Covenant Agreement dated \_\_\_\_\_, 2025 and recorded concurrently herewith in the Official Records, between Trustor (“Borrower” therein) and Beneficiary (“County” therein) (“Covenant Agreement”).
- ii. payment of indebtedness of the Trustor to the Beneficiary not to exceed FOUR MILLION DOLLARS (\$4,000,000.00) (the “Loan”) according to the terms of the Note.

Said Note, Loan Agreement and Covenant Agreement (collectively, referred to as the “Secured Obligations”) and all of their terms are incorporated herein by reference and this conveyance shall secure any and all extensions, amendments, modifications or renewals thereof however evidenced, and additional advances evidenced by any note reciting that it is secured hereby. The Note, Loan Agreement and Covenant Agreement as used herein shall mean, refer to

and include the Note, Loan Agreement and Covenant Agreement, as well as any riders, exhibits, addenda, implementation agreements, amendments, or attachments thereto (which are hereby incorporated herein by this reference). Any capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the Loan Agreement.

The Loan evidenced by the Note and secured by this Deed of Trust is being made pursuant to the HHIP Investment Funds in the amount of \$3,000,000.00 from IEHP and General Funds from the County of Riverside in the amount of \$1,000,000.00 (together, the "Funds" or the "Loan"). Pursuant to the Loan Agreement, the maturity date of the Loan shall be the later to occur of (i) July 1, 2081 or (ii) fifty-five (55) years from recordation of the Notice of Completion in the Official Records for the Project (as defined in the Loan Agreement) ("Loan Term").

TRUSTOR COVENANTS that the Trustor is lawfully seized of the estate hereby conveyed and has the right to grant and convey Trustor's interest in the Property. Trustor warrants and will defend generally the title to the Property against all claims and demands, subject to such encumbrances of record.

**AND TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR COVENANTS AND AGREES:**

1. That Trustor shall pay the Note at the time and in the manner provided therein, and perform the obligations of the Trustor as set forth in the Loan Agreement and Covenant Agreement at the time and in the manner respectively provided therein.

2. That Trustor shall not permit or suffer the use of any of the Property for any purpose other than the use set forth in the Loan Agreement and Covenant Agreement.

3. That the Secured Obligations are incorporated in and made a part of the Deed of Trust. Upon default of any obligation under a Secured Obligation, and after the giving of notice and the expiration of any applicable cure period, the Beneficiary, at its option, may declare the whole of the indebtedness secured hereby to be due and payable.

4. That all rents, profits and income from the property covered by this Deed of Trust are hereby assigned to the Beneficiary for the purpose of discharging the debt hereby secured. Permission is hereby given to Trustor so long as no default exists hereunder after the giving of notice and the expiration of any applicable cure period, to collect such rents, profits and income for use in accordance with the provisions of the Loan Agreement and Covenant Agreement.

4a. That upon default hereunder or under any of the Secured Obligations and after giving notice and opportunity to cure, Beneficiary shall be entitled to the appointment of receiver by any court having jurisdiction, without notice, to take possession and protect the Property described herein and operate same and collect the rents, profits and income therefrom

5. **Payment of Principal and Interest; Prepayment and Late Charges.** Trustor shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any late charges due under the Note.

6. **Taxes and Insurance.** Trustor shall pay before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Deed of Trust, directly to the person owed payment. Trustor shall promptly furnish to Beneficiary receipts evidencing the payments.

a. Should Trustor fail to make any payment or to do any act herein provided, then Beneficiary or Trustee, but without obligation so to do and upon written notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his or her reasonable fees.

7. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Beneficiary under **Section 5** shall be applied: first, to interest due; second, to principal due; and last, to any late charges due under the Note.

8. **Prior Deeds of Trust; Charge; Liens.** Trustor shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Deed of Trust. Trustor shall pay these obligations in the manner provided in **Section 6**.

a. Except for the liens permitted in writing by the Beneficiary, Trustor shall promptly discharge any other lien which shall have attained priority over this Deed of Trust unless Trustor: (1) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Beneficiary; (2) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Beneficiary's opinion operate to prevent the enforcement of the lien; or (3) bond around the lien (4) secures from the holder of the lien an agreement satisfactory to Beneficiary subordinating the lien to this Deed of Trust. Except for the liens approved herein, if Beneficiary determines that any part of the Property is subject to a lien which may attain priority over this Deed of Trust, Beneficiary may give Trustor a notice identifying the lien. Trustor shall satisfy such lien or take one or more of the actions set forth above within 30 days of the giving of notice.

9. **Priority of Deed of Trust.** Upon recordation of this Deed of Trust, this Deed of Trust shall be in an eighth priority lien position. Priority of the liens recorded against the Property senior to this Deed of Trust (as set forth below, the "Senior Liens"), including applicable regulatory agreements, shall be as follows:

- (a) first priority shall be a regulatory agreement related to the tax-exempt bond financing for the Project;
- (b) second priority shall be the COUNTY's Covenant Agreement;
- (c) third priority shall be a deed of trust for the benefit of Bank of America, N.A. securing a loan in the approximate amount of \$37,000,000 (the "Construction Loan Deed of Trust"), which shall be replaced at the conversion to permanent financing of such financing ("Conversion") by a deed of trust for the benefit of California Municipal Finance Authority, a joint exercise of powers agency, which beneficial interest is assigned to U.S. Bank Trust Company, National Association, as fiscal agent for CPC Mortgage Company LLC as funding lender who will assign its right, title, and interest in the funding loan as funding lender to the Federal Home Loan Mortgage Corporation (FHLMC), commonly known as Freddie Mac, securing a loan in the approximate anticipated amount \$13,500,000 (the "Permanent Loan Deed of Trust" and together with the Construction Loan Deed of Trust, collectively the "Senior Loan Deeds of Trust");
- (d) fourth priority shall be a regulatory agreement associated with the City of Corona (the "City") and City of Corona Housing Authority (the "Housing Authority") loans to the Project;
- (e) fifth priority shall be to a Notice of Agreement (First Amended and Restated Affordable Housing Disposition and Development Agreement);
- (f) sixth priority shall be a deed of trust securing the City and Housing Authority loans to the Project in a total amount of \$14,096,871.15;
- (g) seventh priority shall be a regulatory agreement related to the density bonus for the Project;
- (h) eighth priority shall be this Deed of Trust; and
- (i) ninth priority shall be the COUNTY's Loan Agreement.

10. **Hazard or Property Insurance.** Trustor shall keep the improvements now existing or hereafter erected on the Property insured against loss of fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Beneficiary reasonably requires insurance. This insurance shall be maintained in the amounts and for the periods as required in the Loan Agreement. The insurance carrier providing the insurance shall be chosen by Trustor subject to Beneficiary's approval which shall not be unreasonably withheld. If Trustor fails to maintain coverage described above, Beneficiary may, at Beneficiary's option, obtain coverage to protect Beneficiary's rights in the Property in accordance with **Section 12.**

a. All insurance policies and renewals shall be reasonably acceptable to Beneficiary and shall include a standard mortgagee clause. All requirements hereof pertaining to insurance shall be deemed satisfied if the Trustor complies with the insurance requirements under this Deed of Trust and the Loan Agreement. Trustor shall promptly give to Beneficiary certificates of insurance showing the coverage is in full force and effect and that Beneficiary is named as additional insured. In the event of loss, Trustor shall give prompt notice to the insurance carrier,

the holder of a Senior Lien (“Senior Lien Holder”), if any, and Beneficiary. Beneficiary may make proof of loss if not made promptly by the Senior Lien Holder, if any, or the Trustor.

b. Unless Beneficiary and Trustor otherwise agree in writing and subject to the rights of Senior Lien Holders, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided Trustor determines that such restoration or repair is economically feasible and there is no default continuing beyond the expiration of all applicable cure periods. If Trustor determines that such restoration or repair is not economically feasible or if a default exists after expiration of all applicable cure periods, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Trustor. If the Property is abandoned by Trustor, or if Trustor fails to respond to Beneficiary within 30 days from the date notice is mailed by Beneficiary to Trustor that the insurance carrier offers to settle a claim for insurance benefits, Beneficiary is authorized to collect and apply the insurance proceeds at Beneficiary’s option either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

c. Unless Beneficiary and Trustor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of Note. If under **Section 27** the Property is acquired by Beneficiary, Trustor’s right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Beneficiary to the extent of the sums secured by this Deed of Trust immediately prior to the acquisition.

d. Notwithstanding the above, the Beneficiary’s rights to collect and apply the insurance proceeds hereunder shall be subject and subordinate to the rights of the Senior Lienholders, if any, to collect and apply such proceeds in accordance with the Senior Liens.

**11. Preservation, Maintenance and Protection of the Property; Trustor’s Loan Application.**

a. Trustor shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property; normal wear and tear excepted. Trustor shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Beneficiary’s good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Deed of Trust or Beneficiary’s security interest. Trustor may cure such a default and reinstate, as provided in **Section 23**, by causing the action or proceeding to be dismissed with a ruling that, in Beneficiary’s good faith determination, precludes forfeiture of the Trustor’s interest in the Property or other material impairment of the lien created by this Deed of Trust or Beneficiary’s security interest. Trustor shall also be in default if Trustor, during the loan application process, gave materially false or inaccurate information or statements to Beneficiary (or failed to provide Beneficiary with any material information) in connection with the loan evidenced by the Note, including, but not limited to representations concerning Trustor’s use of the Property for affordable housing.

b. The Trustor acknowledges that the Property is subject to certain use, affordability and occupancy restrictions (which may be further evidenced by a separate agreement recorded in the land records where the Property is located), providing for certain income and rent restrictions.

The use and occupancy restrictions may limit the Trustor's ability to rent the Property. The violation of any use and occupancy restrictions may, if not prohibited by federal law, entitle the Beneficiary to the remedies provided in **Section 27** hereof.

**12. Protection of Beneficiary's Rights in the Property.**

a. If Trustor fails to perform the covenants and agreements contained in this Deed of Trust, or there is a legal proceeding that may significantly affect Beneficiary's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then, subject to notice to Trustor and any applicable grace periods or cure periods, Beneficiary may do and pay for whatever is necessary to protect the value of the Property and Beneficiary's rights in the Property. Beneficiary's actions may include paying any sums secured by a lien which has priority over this Deed of Trust, appearing in court, paying reasonable attorneys' fees, and entering on the Property to make repairs. Although Beneficiary may take action under this **Section 12**, Beneficiary does not have to do so.

b. Any amounts disbursed by Beneficiary under this **Section 12** shall become additional debt of Trustor secured by this Deed of Trust. Unless Trustor and Beneficiary agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the HHIP Note rate and shall be payable, with interest, upon notice from Beneficiary to Trustor requesting payment.

**13. Reserved.**

**14. Inspection.** Beneficiary or its agent may make reasonable entries upon and inspections of the Property. Beneficiary shall give Trustor at least forty-eight (48) hours advanced notice in connection with an inspection specifying reasonable cause for the inspection.

**15. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Beneficiary, subject to the terms of Senior Liens, if any.

a. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust, whether or not then due, with any excess paid to Trustor. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Deed of Trust immediately before the taking, unless Trustor and Beneficiary otherwise agree in writing, the sums secured by this Deed of Trust shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Trustor. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Trustor and Beneficiary otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by

this Deed of Trust whether or not the sums are then due. Notwithstanding the foregoing, so long as the value of Beneficiary's lien is not impaired, any condemnation proceeds may be used by Trustor for the Project.

b. If the Property is abandoned by Trustor, or if, after notice by Beneficiary to Trustor that the condemner offers to make an award or settle a claim for damages, Trustor fails to respond to Beneficiary within 30 days after the date the notice is given, Beneficiary is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust, whether or not then due.

c. Unless Beneficiary and Trustor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the payments referred to in **Sections 5 and 6** or change the amount of such payments.

16. **Trustor Not Released; Forbearance By Beneficiary Not a Waiver.** Except in connection with any successor in interest approved by Beneficiary in writing, extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Beneficiary to any successor in interest of Trustor shall not operate to release the liability of the original Trustor or Trustor's successors in interest. Beneficiary shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Trustor or Trustor's successors in interest. Any forbearance by Beneficiary in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

17. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Deed of Trust shall bind and benefit the successors and assigns of Beneficiary and Trustor, subject to the provisions of **Section 22**. Trustor's covenants and agreements shall be joint and several.

18. **Loan Charges.** If the loan secured by this Deed of Trust is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Trustor which exceeded permitted limits will be promptly refunded to Trustor. Beneficiary may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Trustor. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

19. **Notices.** Any notice to Trustor provided for in this Deed of Trust shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Trustor's mailing address stated herein or any other address Trustor designates by notice to Beneficiary. All such notices to the Trustor shall also be provided concurrently to Trustor's limited partner at the address set forth in the Loan Agreement.

Any notice to Beneficiary provided for in this Deed of Trust shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Beneficiary's mailing address stated herein or any other address Beneficiary designates by notice to Trustor. Any notice required to be given to a Senior Lien Holder shall be given by first class mail to such other address the Senior Lien Holder designates by notice to the Trustor. Any notice provided for in this Deed of Trust shall be deemed to have been given to Trustor or Beneficiary when given as provided in this Section.

20. **Governing Law; Severability.** This Deed of Trust shall be governed by federal law and the laws of the State of California. In the event that any provision or clause of this Deed of Trust or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision. To this end the provisions of this Deed of Trust and the Note are declared to be severable. Any action at law or in equity arising under this Deed of Trust or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed in the Superior Court of Riverside County, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court or jurisdiction.

21. **Trustor's Copy.** Trustor shall be given one conformed copy of the Note and of this Deed of Trust.

22. **Transfer of the Property or a Beneficial Interest in Trustor.**

a. Except as otherwise allowed under the Loan Agreement, if all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Trustor is sold or transferred and Trustor is not a natural person) without Beneficiary's prior written consent (including a transfer of all or any part of the Property to any person who, at initial occupancy of the Property, does not comply with applicable rent and income restrictions) Beneficiary may, at its option, require immediate payment in full of all sums secured by this Deed of Trust. However, this option shall not be exercised by Beneficiary if exercise is prohibited by federal law as of the date of this Deed of Trust. Nothing in this Deed of Trust shall be deemed to require Beneficiary's approval of a conveyance of an easement interest in the Property for utility purposes or for any Permitted Transfers pursuant to the Loan Agreement.

b. If Beneficiary exercises the aforementioned option, Beneficiary shall give Trustor and the Senior Lien Holder, prior written notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Trustor must pay all sums secured by this Deed of Trust. If Trustor fails to pay these sums prior to the expiration of this period, Beneficiary may invoke any remedies permitted by this Deed of Trust without further notice or demand on Trustor.

23. **Trustor's Right to Reinstate.** If Trustor meets certain conditions, Trustor shall have the right to have enforcement of this Deed of Trust discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for

reinstatement) before sale of the Property pursuant to any power of sale contained in this Deed of Trust; or (b) entry of a judgment enforcing this Deed of Trust. Those conditions are that Trustor: (a) pays Beneficiary all sums which then would be due under this Deed of Trust and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Deed of Trust, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Beneficiary may reasonably require to assure that the lien of this Deed of Trust, Beneficiary's rights in the Property and Trustor's obligation to pay the sums secured by this Deed of Trust shall continue unchanged. Upon reinstatement by Trustor, this Deed of Trust and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under **Section 22**.

24. **Reserved.**

25. **No Assignment.** The Note and this Deed of Trust shall not be assigned by Trustor without the Beneficiary's prior written consent and the consent of the Senior Lien Holder(s) if required by the loan documents related to each Senior Lien.

26. **Hazardous Substances.** Trustor shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Trustor shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses, construction, and to maintenance of the Property.

a. Trustor shall promptly give Beneficiary written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Trustor has actual knowledge. If Trustor learns, or is notified in writing by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Trustor shall promptly take all necessary remedial actions in accordance with Environmental Law.

b. As used in this **Section 26**, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials, excluding household products in normal quantities. As used in this **Section 26**, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

27. **Acceleration; Remedies.** Beneficiary shall give notice to Trustor prior to acceleration following Trustor's breach of any covenant or agreement in this Deed of Trust. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, which shall not be less than thirty (30) calendar days from the date of the mailing of the notice for a

monetary default, or a date, which shall not be less than ninety (90) calendar days from the mailing of the notice for a non-monetary default, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. The notice shall further inform Trustor of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Trustor to acceleration and sale. If the default is not cured by the Trustor on or before the date specified in the notice, and a Senior Lien Holder or the investor limited partner have not cured the default within that same period, subject to any non-recourse provisions set forth in Section 8 of the Note, then Beneficiary at its option may require immediate payment in full of all sums secured by this Deed of Trust without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Beneficiary shall be entitled to collect all expenses incurred in pursuing the remedies provided in this **Section 27**, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

a. If Beneficiary invokes the power of sale, Beneficiary or Trustee shall mail copies of a notice of sale in the manner prescribed by applicable law to Trustor, the investor limited partner, the Senior Lien Holders and to the other persons prescribed by applicable law. Trustee shall give notice of sale by public advertisement for the time and in the manner prescribed by applicable law. Trustee, without demand on Trustor, shall sell the Property at public auction to the highest bidder for cash at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property to any later time on the same date by public announcement at the time and place of any previously scheduled sale. Beneficiary or its designee may purchase the Property at any sale.

b. Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Deed of Trust; and (c) any excess to the person or persons legally entitled to it.

28. **Release.** Upon payment of all sums secured by this Deed of Trust, Beneficiary shall release this Deed of Trust without charge to Trustor. Trustor shall pay any recordation costs. The lien of the Covenant Agreement shall not be released or reconveyed until the expiration of the term set forth therein notwithstanding the payment of all sums secured by this Deed of Trust.

29. **Substitute Trustee.** Beneficiary, at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder by an instrument recorded in the county in which this Deed of Trust is recorded. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

30. **Reserved.**

31. **Reserved.**

32. **Reserved.**

33. **Removal, Demolition or Alteration of Personal Property and Fixtures.** Except to the extent permitted by the following sentence, no personal property or fixtures shall be removed, demolished or materially altered without the prior written consent of the Beneficiary. Trustor may remove and dispose of, free from the lien of this Deed of Trust, such personal property and fixtures as from time to time become worn out or obsolete, providing that, (a) the same is done in the ordinary course of business, and (2) either (i) at the time of, or prior to, such removal, any such personal property or fixtures are replaced with other personal property or fixtures which are free from liens other than encumbrances permitted hereunder and which have a value at least equal to that of the replaced personal property and fixtures (and by such removal replacement Trustor shall be deemed to have subjected such replacement personal property and fixtures to the lien of this Deed of Trust), or (ii) such personal property and fixtures may not require replacement if functionally, economically or operationally obsolete and so long as the fair market value of and operational efficiency of the Project is not reduced or adversely effected thereby.

34. **Counterparts.** This Deed of Trust may be signed by the different parties hereto in counterparts, each of which shall be an original but all of which together shall constitute one and the same agreement.

35. **Subordination to Tax Credit Regulatory Agreement.** Trustee and Beneficiary agrees that this Deed of Trust is and shall be subordinate to the “extended low-income housing commitment” (as such term is defined in Section 42(h)(6)(B) of the Internal Revenue Code of 1986, as amended) recorded against property in favor of the California Tax Credit Allocation Committee (the “Tax Credit Extended Use Agreement”) provided that such Tax Credit Extended Use Agreement, by its terms, terminates upon foreclosure or a transfer of the property by instrument in lieu of foreclosure subject to the restrictions on tenant evictions and rent increases set forth in Section 42(h)(6)(e)(ii) of the Internal Revenue Code of 1986, as amended.

**[Remainder of Page Blank]**

**[Signatures on Following Page]**

**BY SIGNING BELOW, TRUSTOR accepts and agrees to the terms and covenants contained in this Deed of Trust.**

**SECOND STREET FAMILY LP,**  
a California limited partnership

By: OHDC Second Street Family LLC  
a California limited liability company,  
its managing general partner

By: Orange Housing Development Corporation, Inc.  
a California nonprofit public benefit corporation,  
its sole member and manager

By: \_\_\_\_\_  
Eunice Bobert,  
Chief Executive Officer

By: C&C Second Street Family LLC  
a California limited liability company,  
its developer general partner

By: C & C Development Co., LLC,  
a California limited liability company,  
its sole member and manager

By: \_\_\_\_\_  
Todd R. Cottle, its manager

**(Signature needs to be notarized)**

**ALL-PURPOSE ACKNOWLEDGMENT NOTARY FOR CALIFORNIA**

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 \_\_\_\_\_, 2025, before me, \_\_\_\_\_,

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.

\_\_\_\_\_  
Signature of Notary Public

**EXHIBIT "A"**  
**Legal Description of Property**

**ACCESSOR'S PARCEL NUMBERS: 118-270-051; 118-270-053; 118-270-055**

PARCEL "B" AS SHOWN ON LOT LINE ADJUSTMENT NO. 25-003, AS SHOWN ON DOCUMENT RECORDED \_\_\_\_\_ AS DOCUMENT NO. \_\_\_\_\_, OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT 5, IN BLOCK 66 OF LANDS OF THE SOUTH RIVERSIDE LAND AND WATER COMPANY, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING PORTIONS OF CALTRANS PARCELS 22219-REM AND 22222-REM AS DESCRIBED IN GRANT DEED RECORDED NOVEMBER 8, 2019 AS INSTRUMENT NO. 2019-462265, OF OFFICIAL RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS A WHOLE AS FOLLOWS:

**BEGINNING** AT THE CENTERLINE INTERSECTION OF S BUENA VISTA AVENUE AND W 6TH STREET, AS SHOWN ON A MAP FILED IN BOOK 143, PAGES 94 THROUGH 113, INCLUSIVE OF RECORDS OF SURVEYS, RECORDS OF SAID COUNTY;

THENCE ALONG SAID CENTERLINE OF S BUENA VISTA AVENUE NORTH 08°02'08" EAST 1,479.22 FEET;

THENCE LEAVING SAID CENTERLINE, NORTH 81°57'52" WEST 30.00 FEET TO A POINT IN THE WESTERLY RIGHT-OF-WAY OF S BUENA VISTA AVENUE (60 FEET WIDE), AND THE EASTERLY LINE OF SAID LOT 5, AND THE NORTHERLY LINE OF SAID GRANT DEED, AND THE **TRUE POINT OF BEGINNING**;

THENCE, ALONG SAID NORTHERLY LINE, THE FOLLOWING SIX (6) COURSES:

- 1) NORTH 38°05'40" WEST 22.46 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 9,968.25 FEET, A RADIAL LINE FROM SAID BEGINNING OF CURVE BEARS SOUTH 05°40'54" WEST;
- 2) WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 28.63 FEET THROUGH A CENTRAL ANGLE OF 00°09'52";
- 3) ALONG A LINE NON-TANGENT TO SAID CURVE, NORTH 84°28'59" WEST 172.40 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 968.02 FEET;
- 4) WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 365.82 FEET THROUGH A CENTRAL ANGLE OF 21°39'11" TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 50.00 FEET, A RADIAL LINE FROM SAID BEGINNING OF A CURVE BEARS SOUTH 16°08'10" EAST;
- 5) WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 2.96 FEET THROUGH A CENTRAL ANGLE OF 03°23'25";
- 6) SOUTH 70°28'25" WEST 5.40 FEET;

THENCE LEAVING SAID NORTHERLY LINE, SOUTH 08°03'29" WEST, 190.36 FEET TO THE SOUTH LINE OF THE NORTHERLY RECTANGULAR 20 FEET OF THE SOUTHERLY 2.5 ACRES OF SAID LOT 5;

THENCE ALONG SAID SOUTH LINE, SOUTH 82°00'00" EAST, 578.40 FEET TO SAID WESTERLY RIGHT-OF-WAY LINE OF S BUENA VISTA AVENUE;

THENCE ALONG SAID WESTERLY RIGHT-OF-WAY AND SAID EASTERLY LINE, NORTH 08°02'08" EAST, 270.96 FEET TO THE **TRUE POINT OF BEGINNING**.

THE ABOVE DESCRIBED PARCEL CONTAINS 3.451 ACRES, MORE OR LESS.

**ACCESSOR'S PARCEL NUMBER: 118-302-030**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT 10, IN BLOCK 64 OF LANDS OF THE SOUTH RIVERSIDE LAND AND WATER COMPANY, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. BEING A PORTION OF THE LAND DESCRIBED IN THE DEED RECORDED JUNE 23, 1992 AS INSTRUMENT NO. 230917 OF OFFICIAL RECORDS OF SAID COUNTY, LYING SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE CENTERLINE INTERSECTION OF BUENA VISTA AVENUE AND 6TH STREET, AS SHOWN ON THE RECORD OF SURVEY FILED IN BOOK 143, PAGES 94 THROUGH 113, INCLUSIVE OF RECORDS OF SURVEY, RECORDS OF SAID COUNTY; THENCE NORTH 08° 02' 08" EAST 1482.02 FEET ALONG THE CENTERLINE OF SAID BUENA VISTA AVENUE; THENCE SOUTH 81° 57' 52" EAST 30.00 FEET TO THE EASTERLY LINE OF SAID BUENA VISTA AVENUE AND THE TRUE POINT OF BEGINNING; THENCE NORTH 52° 08' 39" EAST 22.39 FEET TO A NON-TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 9968.00 FEET, A RADIAL LINE TO SAID CURVE BEARS NORTH 06° 12' 34" EAST; THENCE EASTERLY 571.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 03° 16' 56"; THENCE SOUTH 80° 30' 30" EAST 51.02 FEET; THENCE SOUTH 33° 51' 13" EAST 39.01 FEET TO A LINE THAT IS PARALLEL WITH AND 0.25 FEET WESTERLY OF THE EASTERLY LINE OF LOT 9 IN BLOCK 64 OF SOUTH RIVERSIDE LAND AND WATER COMPANY LANDS, AS SHOWN BY MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, STATE OF CALIFORNIA; THENCE SOUTH 08° 03' 40" WEST 11.86 FEET ALONG SAID PARALLEL LINE TO THE SOUTHERLY LINE OF THE NORTHERLY 100.00 FEET OF THE SOUTHERLY 198.00 FEET OF SAID LOT 9 AND THE POINT OF TERMINATION.

Assessor's Parcel Numbers: **118-270-051, 118-270-053, 118-270-055 and 118-302-030**

# **EXHIBIT “C”**

**PROMISSORY NOTE**  
**3% Interest Per Year**

**\$4,000,000**

**Corona, California**

For value received, Second Street Family LP, a California limited partnership (“Borrower”), promises to pay the COUNTY OF RIVERSIDE, a political subdivision of the State of California (“COUNTY”), or order, at 3403 10<sup>th</sup> Street, Suite 300, Riverside, CA 92501, the sum of FOUR Million Dollars (U.S. \$4,000,000.00) (the “Loan” or “Note Amount”) which at the time of payment is lawful for the payment of public and private debts.

This Promissory Note (“Note”) is given in accordance with that certain Loan Agreement for the Second Street Apartments executed by COUNTY and Borrower, dated as of \_\_\_\_\_, 2025 and recorded in the Official Records of the County of Riverside (“Official Records”) on or about the date hereof (the “Loan Agreement”). Except to the extent otherwise expressly defined in this Note, all capitalized terms shall have the meanings ascribed to such terms in the Loan Agreement. The Note is secured by a Deed of Trust, Security Agreement and Fixture Filing (with Assignment of Rents) executed by Borrower for the benefit of the County dated \_\_\_\_\_, 2025 and recorded on or about the date hereof in the Official Records (the “Deed of Trust”). This Note, the Loan Agreement, and the Deed of Trust, and any amendments or modifications thereto, shall collectively be referred to herein as “Loan Documents.” The rights and obligations of the Borrower and COUNTY under this Note shall be governed by the Loan Agreement and the following terms:

- (1) The Loan evidenced by this Note and secured by the Deed of Trust are being made pursuant to HHIP Funds from IEHP (“HHIP Funds”). Borrower agrees for itself, its successors and assigns that the use of the Property shall be subject to the restrictions on use, affordability and occupancy set forth in the Loan Agreement and that certain Covenant Agreement dated on or about the date hereof and recorded concurrently herewith in the Official Records, between Borrower and COUNTY.
- (2) \$3,000,000 of the Loan is derived from Housing and Homelessness Incentive Program (“HHIP”) funds accepted by the COUNTY’s Board of Supervisors on January 10, 2023, via Minute Order 3.15, as amended on October 3, 2023 via Minute Order 3.17, and \$1,000,000 of the Loan is derived from COUNTY General Funds (“General Funds”) approved by the COUNTY’s Board of Supervisors on June 24, 2025 via Minute Order 3.5. Together, the HHIP Funds and General Funds are referred to herein as the “Funds” or the “Loan” allocated by COUNTY to pay a portion of the development and construction of Second Street Family Apartments.
- (3) That the Loan will accrue simple interest at a rate of three percent (3%) per annum, except in the case of default as hereinafter provided, and shall be repaid on an annual basis from the Project’s Residual Receipts as defined herein. Interest will accrue 30 days from the date of recordation of the Notice of Completion in the Official Records on the basis of actual days based on a 365 year.

- (4) This Note shall be repaid according to the following: Fifty percent (50%) of the Project's Residual Receipts shall be used towards the payment of the Loan and all other loans paid from Residual Receipts (collectively, "Residual Receipts Loans"). Fifty percent (50%) of the Project's Residual Receipts will be split pro-rata between each Residual Receipts Loan based on the percentage of each respective loan original principal amount according to its share of the total original principal amount of all such loans, until the Note is repaid in full; and fifty percent (50%) of the Project's Residual Receipts will be paid to Borrower. The County's pro rata share is 22.10% of fifty percent of Residual Receipts.
- (5) The Project's Residual Receipts shall be determined based on an annual review of certified financial statements for the Project. Annual audited financial statements shall be submitted by BORROWER within one hundred fifty (150) days following the close of the Project fiscal year commencing on May 1 of the first full calendar year following the recordation of the Notice of Completion. All outstanding principal along with accrued interest shall be due upon maturity of the Loan Agreement, which shall be the later to occur of (i) January 1, 2081 or (ii) fifty-five (55) years from and after the recordation of the Notice of Completion (the "Loan Term"). The first payment shall be due on July 1<sup>st</sup> in the first full calendar year following the date of the Project's recordation of the Notice of Completion, to the extent of available Residual Receipts, as set forth herein. Subsequent payments shall be made on July 1<sup>st</sup> thereafter to the extent of available Residual Receipts until sooner of full repayment of the Loan or the Loan maturity date as set forth above.
- (6) The term "Residual Receipts" used herein shall mean the gross rental income from all residential and non-residential components of the Project, proceeds from loss of rent insurance, and any other income to the Borrower derived from the ownership, operation and management of the Property, not including interest on required reserve accounts, proceeds of loans or capital contributions, and insurance proceeds used for repair or reconstruction of the Project or used to repay senior loans, less operating expenses consistent with the definition of such expenses in the BORROWER'S Amended and Restated Limited Partnership Agreement approved by the COUNTY in its reasonable discretion, provided that in the event of a conflict between this Agreement and the BORROWER'S Amended and Restated Limited Partnership Agreement the BORROWER'S Amended and Restated Limited Partnership Agreement (as approved by the COUNTY in its reasonable discretion) shall control, determination of term Residual Receipts, including but not limited to the following (in no particular priority of payment):
1. auditing and accounting fees;
  2. a reasonable property management fee not to exceed \$79.50 per unit per month, increasing annually by 3% per year;
  3. Operating Expenses (any expense reasonably and normally incurred in carrying out the Project's day-to-day activities, which shall include administration, on-site management, utilities, on-site staff payroll, payroll taxes, and maintenance);
  4. replacement reserves, established in a separate account from operating reserves, in the amount of at least \$300 per unit per year for all units in the Project;
  5. Operating Reserves replenishment;
  6. a general partner asset management annual fees which shall be in the total initial amount of no more than \$25,000, increased by no more than 3% annually on a

- cumulative basis if not paid in prior years;
7. an annual limited partner asset management fee not to exceed \$8,500, which fee shall be increased annually by 3% on a cumulative basis;
  8. payments of principal and interest on amortized loans and indebtedness senior to the Loan, which have been approved by COUNTY (collectively, the "Senior Debt);
  9. COUNTY's Monitoring Fee in the total annual amount of \$11,500 for the County Loan;
  10. To pay credit adjusters due to the BORROWER's limited partner and to repay loans made by such limited partner to the BORROWER; and
  11. To repay operating deficit loans, deferred developer fee, and development completion loans made by BORROWER's general partner to BORROWER in accordance with BORROWER's limited partnership agreement.

The calculation of operating expenses shall be subject to the reasonable approval of the County's Director HWS or designee, and further provided that in the event of a conflict between this Agreement and the BORROWER'S Amended and Restated Limited Partnership Agreement the BORROWER'S Amended and Restated Limited Partnership Agreement (as approved by the COUNTY) shall control regarding the definition of "Project Residual Receipts".

- (7) The Loan evidenced by this Note is secured by the Deed of Trust.
- (8) This Note may be prepaid in whole or in part by the undersigned at any time without prepayment penalty or premium, provided however notwithstanding such prepayment, Borrower shall be required to adhere to the affordability restrictions contained in the Covenants until the expiration of the term contained therein.
- (9) Subject to the provisions and limitations of this **Section 9**, the obligation to repay the Note Amount is a nonrecourse obligation of Borrower and its partners. Neither Borrower nor its officers, members, or partners shall have any personal liability for repayment of the Note Amount, except as provided in this **Section 9**. The sole recourse of the COUNTY shall be the exercise of its rights against the Property (or any portion thereof) and any related security for the Loan; provided, however, that the foregoing shall not (i) constitute a waiver of any other obligation evidenced by this Note or the Deed of Trust; (ii) limit the right of the COUNTY to name Borrower as a party defendant in any action or suit for judicial foreclosure and sale under this Note and the Deed of Trust or any action or proceeding hereunder so long as no judgment in the nature of a deficiency judgment shall be asked for or taken against Borrower; (iii) release or impair either this Note or the Deed of Trust; (iv) prevent or in any way hinder the COUNTY from exercising, or constitute a defense, an affirmative defense, a counterclaim or other basis for relief in respect of the exercise of, any other remedy against the mortgaged Property or any other instrument securing this Note or as prescribed by law or in equity in case of default; (v) prevent or in any way hinder the COUNTY from exercising, or constitute a defense, an affirmative defense, a counterclaim or other basis for relief in respect of the exercise of, its remedies in respect of any deposits, insurance proceeds, condemnation awards or other monies or other collateral or letters of credit securing this

Note; or (vi) affect in any way the validity of any guarantee or indemnity from any person of all or any of the obligations evidenced and secured by this Note and the Deed of Trust. Notwithstanding the first sentence of this **Section 9**, the COUNTY may recover directly from Borrower or, unless otherwise prohibited by any applicable law, from any other party: (a) any actual damages, costs and expenses incurred by the COUNTY as a result of fraud, misrepresentation or any criminal act or acts of Borrower or any, officer, director or employee of Borrower; (b) any damages, costs and expenses incurred by the COUNTY as a result of any misappropriation of funds provided to pay costs as described in the Loan Agreement, rents and revenues from the operation of the Project, or proceeds of insurance policies or condemnation proceeds; and (c) any misappropriation of rental proceeds resulting in the failure to pay taxes, assessments, or other charges that could create statutory liens on the Property and that are payable or applicable prior to any foreclosure under the Deed of Trust.

(10) The occurrence and continuance of any of the following events shall constitute an "Event of Default" under this Note after notice and opportunity to cure pursuant to the terms set forth in the Loan Agreement:

- a. Monetary Default. (1) Borrower's failure to pay when due any sums payable under the Note or any advances made by COUNTY under this Agreement, (2) Borrower's or any agent of Borrower's use of Loan funds for costs other than those costs permitted under the Loan Agreement or for uses inconsistent with terms and restrictions set forth in this Agreement, and/or (3) Borrower's or any agent of Borrower's failure to make any other payment of any assessment or tax due under the Loan Agreement;
- b. Non-Monetary Default - Operation. (1) Discrimination by Borrower or Borrower's agent on the basis of characteristics prohibited by this Agreement or applicable law, (2) the imposition of any encumbrances or liens on the Project without COUNTY's prior written approval that are prohibited under this Note or that have the effect of reducing the priority or invalidating the lien of the Deed of Trust, (3) Borrower's failure to obtain and maintain the insurance coverage required under the Loan Agreement, (4) any material default under the Loan Agreement, Deed of Trust, Note, or any document executed by the County in connection with this Agreement beyond the expiration of applicable notice and cure periods, and/or (4) default past any applicable notice and cure period under the terms of the Deed of Trust or any other instrument or document secured against the Property;
- c. General Performance of Loan Obligations. Any substantial or continuous or repeated breach by Borrower or Borrower's agents of any material obligations on Borrower imposed in the Loan Agreement beyond applicable notice and cure periods; and
- d. General Performance of Other Obligations. Any substantial or continuous or repeated breach by Borrower or Borrower's agents of any material obligations on the Project imposed by any other agreement with respect to

the financing, development, or operation of the Project beyond the applicable notice and cure periods set forth therein; whether or not COUNTY is a party to such agreement.

- (11) COUNTY shall give written notice of default to Borrower, with a copy to Borrower's limited partner, specifying the default complained of by the COUNTY. Borrower shall have thirty (30) calendar days from the mailing of the notice for a monetary default, by which such action to cure must be taken. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default.
- (12) Any failures or delays by COUNTY in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by COUNTY in asserting any of its rights and remedies shall not deprive COUNTY of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.
- (13) If the rights created by this Note shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the obligations described herein, the remaining obligations shall be completely performed and paid. In the event that any provision or clause of this Note conflicts with applicable law, such conflict will not affect other provisions of this Note which can be given effect without the conflicting provision, and to this end the provisions of the Note are declared to be severable.
- (14) Borrower hereby waives diligence, presentment, protest and demand, notice of protest, dishonor and nonpayment of this Note, and expressly agrees that, without in any way affecting the liability of Borrower hereunder, the COUNTY may extend any maturity date or the time for payment of any installment due hereunder, accept additional security, release any party liable hereunder and release any security now or hereafter securing this Note. Borrower further waives, to the full extent permitted by law, the right to plead any and all statutes of limitations as a defense to any demand on this Note, or on any deed of trust, security agreement, guaranty or other agreement now or hereafter securing this Note.
- (15) Should default be made in payment of principal and interest when due and such default shall continue beyond the applicable notice and cure period provided in the HHIP Loan Agreement, the whole sum of principal and interest shall become immediately due at the option of the holder of this Note. Principal and interest are payable in lawful money of the United States. If action be instituted on this Note, the undersigned promises to pay such sums as the Court may fix as attorney's fees.
- (16) This Note has been negotiated and entered in the State of California, and shall be governed by, construed and enforced in accordance with the internal laws of the State of California, applied to contracts made in California by California domiciliaries to be wholly performed in California. Any action at law or in equity arising under this Note or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Note shall be filed in the Superior Court of Riverside County, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court or jurisdiction.

- (17) No modification, rescission, waiver, release or amendment of any provision of this Note shall be made except by a written agreement executed by Borrower and the duly authorized representative of the COUNTY.
- (18) The COUNTY may, in its sole and absolute discretion, assign its rights under this Note and its right to receive repayment of the Note Amount without obtaining the consent of Borrower.
- (19) Except as otherwise permitted under the Loan Agreement, in no event shall Borrower assign or transfer any portion of this Note or any rights herein without the prior express written consent of the COUNTY, which consent the COUNTY may give or withhold in its sole and absolute discretion. In the absence of specific written agreement by the COUNTY, no unauthorized assignment or transfer, or approval thereof by the COUNTY, shall be deemed to relieve Borrower or any other party from any obligations under the Loan Agreement or this Note. This provision shall not affect or diminish the COUNTY's assignment rights under this Note.
- (20) Except as to the permitted deeds of trust identified in the Loan Agreement or the Deed of Trust, Borrower shall not encumber the Property for the purpose of securing financing either senior or junior in priority or subordinated to the Deed of Trust without the prior written approval of the COUNTY in its sole and absolute discretion.
- (21) The relationship of Borrower and the COUNTY pursuant to this Note is that of debtor and creditor and shall not be, or be construed to be, a joint venture, equity venture, partnership or other relationship.
- (22)
  - (a) Formal notices, demands and communications between the County and Borrower shall be deemed sufficiently given if made in writing and dispatched by any of the following methods to the addresses of the COUNTY and Borrower as set forth below: (i) registered or certified mail, postage prepaid, return receipt requested (in which event, the notice shall be deemed delivered on the date of receipt thereof); or (ii) personal delivery, including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service (in which event, the notice shall be deemed delivered on the documented date of receipt). Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail.
  - (b) The address of the COUNTY for purposes of receiving notices pursuant to this Note shall be 3403 10<sup>th</sup> St., Suite 300, Riverside, California 92501, Attention: Director HWS. The facsimile number for the COUNTY's receipt of notices is (951) 352-4852.
  - (c) The address of Borrower for purposes of receiving notices pursuant to this Note is

Second Street Family LP  
c/o OHDC Second Street Family LLC  
414 E. Chapman Avenue  
Orange, CA 92866

Attn: Chief Executive Officer

With copies to:

C&C Second Street Family LLC  
14211 Yorba Street, Suite 200  
Tustin, CA 92780  
Attn: Todd Cottle

Goldfarb & Lipman LLP  
1300 Clay Street, 11th Floor  
Oakland, CA 94612  
Attn: Lynn Hutchins

And for so long as the limited partner of  
BORROWER:

NEF Assignment Corporation  
540 W. Madison Street, Suite 1900  
Chicago, IL 6066  
Attn: General Counsel

- (23) The captions and headings in this Note are for convenience only and are not to be used to interpret or define the provisions hereof.
- (24) The undersigned, if comprising more than one person or entity, shall be jointly and severally liable hereunder.
- (25) This Note shall be binding upon Borrower and its heirs, successors and assigns, and shall benefit the COUNTY and its successors and assigns.

**[Remainder of Page Blank]**

**[Signatures on Following Page]**

IN WITNESS WHEREOF, Borrower has executed this Note as of the day and year first set forth above.

**BORROWER:**

Second Street Family Housing LP,  
a California limited partnership

By: OHDC Second Street Family LLC  
a California limited liability company,  
its managing general partner

By: Orange Housing Development  
Corporation, Inc.,  
a California nonprofit public  
benefit corporation,  
its sole member and manager

By: \_\_\_\_\_  
Eunice Bobert  
Chief Executive Officer

By: C&C Second Street Family LLC  
a California limited liability company,  
its developer general partner

By: C & C Development Co., LLC,  
a California limited liability  
company,  
its sole member and manager

By: \_\_\_\_\_  
Todd R. Cottle, its  
manager

# EXHIBIT “D”

RESERVED.

# **EXHIBIT “E”**

Covenant Agreement

1 NO FEE FOR RECORDING PURSUANT  
2 TO GOVERNMENT CODE SECTION 6103

3 Order No.  
4 Escrow No.  
5 Loan No.

6 RECORDING REQUESTED BY AND  
7 WHEN RECORDED MAIL TO:

8 County of Riverside  
9 Housing and Workforce Solutions  
10 3403 10<sup>th</sup> Street, Suite 300  
11 Riverside, CA 92501  
12 Attn. Alicia Jaimes

13 SPACE ABOVE THIS LINE FOR RECORDERS USE

14 **COVENANT AGREEMENT**  
15 **(Second Street Family Apartments)**

16 This COVENANT AGREEMENT (“COVENANT AGREEMENT”) is made and entered  
17 into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2025 by and between the COUNTY OF RIVERSIDE, a  
18 political subdivision of the State of California, (“COUNTY”), and Second Street Family LP, a  
19 California limited partnership, (“BORROWER”). COUNTY and BORROWER are individually  
20 referred to herein as a “Party” and collectively referred to herein as the “Parties.”

21 **RECITALS**

22 WHEREAS, the Inland Empire Health Plan (“IEHP”) is participating in the Housing and  
23 Homelessness Incentive Program (“HHIP”) implemented by the California Department of  
24 Health Care Services (“DHCS”) in accordance with the Medi-Cal Home and Community-Based  
25 Services (“HCBS”) Spending Plan;

26 WHEREAS, on November 15, 2022, IEHP announced that the COUNTY was allocated  
27 HHIP Investment Funds from IEHP, earned and awarded through DHCS, in the amount of  
\$32,600,000, for the following: (1) Rental assistance and rapid rehousing; (2) Operating  
subsidies in new and existing affordable or supportive housing units, emergency shelters, and  
navigation centers; operating subsidies may include operating reserves; (3) Incentives to  
landlords, including, but not limited to, security deposits and holding fees); (4) Outreach and  
coordination, which may include access to job programs, to assist vulnerable populations in

1 accessing permanent housing and to promote housing stability in supportive housing; (5)  
2 Systems support for activities necessary to create regional partnerships and maintain a homeless  
3 services and housing delivery system particularly for vulnerable populations including families  
4 and homeless youth; (6) Delivery of permanent housing and innovative housing solutions such  
5 as hotel and motel conversions; (7) Prevention and shelter diversion to permanent housing; and  
6 (8) New navigation centers and emergency shelters based on demonstrated need;

7 WHEREAS, on January 10, 2023, via Minute Order 3.15, the Board of Supervisors of the  
8 County of Riverside accepted \$32,095,000 in HHIP funds from IEHP and approved the  
9 agreement between the COUNTY and IEHP for the use of HHIP program funds;

10 WHEREAS, on October 3, 2023, via Minute Order 3.17, the Board of Supervisors of the  
11 County of Riverside approved the First Amended and Restated HHIP Agreement (HWSCoC-  
12 0004868) with IEHP to accept Incentive Funding to increase the aggregate contract amount by  
13 \$12,000,000 from \$32,600,000 to \$44,600,000 in HHIP funds;

14 WHEREAS, on June 24, 2025, via Minute Order 3.5, the Board of Supervisors of the  
15 County of Riverside approved Fiscal Year 2025/2026 Budget Amendments to fully fund the  
16 COUNTY's Department of Housing and Workforce Solutions' request of \$5,000,000 ("General  
17 Funds");

18 WHEREAS, COUNTY and BORROWER entered into that certain Loan Agreement for  
19 the Second Street Apartments (HHIP Loan \$3,000,000.00 and General Funds Loan \$1,000,000.00)  
20 dated \_\_\_\_\_ and recorded in the Official Records of the County of  
21 Riverside ("Official Records") concurrently herewith (the "Loan Agreement" or "Agreement")  
22 which provides for, among other things, a multi-family affordable rental housing project consisting  
23 of 114 affordable rental housing units (each, a "Unit," collectively, the "Units") and one residential  
24 manager's unit to be located at the southwest and southeast corners of Buena Vista Avenue and  
25 Second Street, Corona, California, 92882 and legally described in the Legal Description attached  
26 hereto and incorporated herein as Exhibit "A" (collectively, the "Property"). The construction on  
27 the Property of the Units and such other improvements as specified in the Loan Agreement shall

1 be referred to herein as the "Project." Capitalized terms not defined herein shall have the meaning  
2 ascribed to them in the Loan Agreement;

3 WHEREAS, the COUNTY desires to use \$3,000,000 in HHIP funds and \$1,000,000 from  
4 its allocation of General Funds to fund a portion of the development and construction of the  
5 Project. Together, the HHIP funds and General funds are referred to herein as the "Funds" or  
6 the "Loan";

7 WHEREAS, the Project is an eligible use of the Funds;

8 WHEREAS, a total of twenty (20) of the Units will be reserved as Assisted Units (as  
9 defined below), and will have a preference for those who are homeless, at risk of homelessness,  
10 or experiencing housing insecurity.

11 NOW, THEREFORE, in consideration of the mutual covenants and agreements, and for  
12 other good and valuable consideration, the receipt and sufficiency of which are hereby  
13 acknowledged, OWNER, on behalf of itself and its successors, assigns, and each successor in  
14 interest to the Property or any part thereof, hereby declares as follows:

15 1) RESTRICTIONS. The recitals set forth above are true and correct and incorporated  
16 herein. This Covenant Agreement shall continue in full force and effect for the later of (i) fifty-  
17 five (55) years from the recordation of the Notice of Completion, or (ii) January 1, 2081 ("Term"  
18 or "Affordability Period"). For the duration of the Term, the Property shall be held, sold and  
19 conveyed, subject to the following covenants, conditions, and restrictions:

20 a) Twenty (20) units at the Project shall be restricted as Assisted Units  
21 restricted to households whose incomes do not exceed 30% of the area median income for the  
22 County of Riverside as published by the California Tax Credit Allocation Committee ("TCAC")  
23 and shall have a preference for families who are homeless or at risk of homelessness upon initial  
24 occupancy and when vacancies arise after initial occupancy ("Assisted Units"); provided, however,  
25 that in the event that the Project's rental subsidy is terminated, not renewed, or materially reduced  
26 through no fault of OWNER, the income restrictions for the Assisted Units may be increased up  
27 to 60% of the area median income for the County of Riverside as published by TCAC, but in no

1 event greater than the amount required to ensure that the Project generates sufficient income to  
2 cover its operating expenses and debt service and as is necessary to maintain the financial stability  
3 of the Project, all in accordance with **Section 38(a)** of the Loan Agreement.

4 b) Intentionally omitted.

5 2) SENIOR PRIORITY. Upon recordation of this Covenant Agreement, this  
6 Covenant Agreement shall be in a second priority lien position recorded against the Property senior  
7 to all monetary deeds of trust as follows:

8 (a) first priority shall be a regulatory agreement related to the tax-exempt bond  
9 financing for the Project;

10 (b) second priority shall be this Covenant Agreement;

11 (c) third priority shall be a deed of trust for the benefit of Bank of America, N.A.  
12 securing a loan in the approximate amount of \$37,000,000 (the "Construction  
13 Loan Deed of Trust"), which shall be replaced at the conversion to permanent  
14 financing of such financing ("Conversion") by a deed of trust for the benefit of  
15 California Municipal Finance Authority, a joint exercise of powers agency,  
16 which beneficial interest is assigned to U.S. Bank Trust Company, National  
17 Association, as fiscal agent for CPC Mortgage Company LLC as funding lender,  
18 who will assign its right, title, and interest in the funding loan as funding lender  
19 to the Federal Home Loan Mortgage Corporation (FHLMC), commonly known  
20 as Freddie Mac, securing a loan in the approximate anticipated amount  
21 \$13,500,000 000 (the "Permanent Loan Deed of Trust" and together with the  
22 Construction Loan Deed of Trust, collectively the "Senior Loan Deeds of  
23 Trust");

24 (d) fourth priority shall be a regulatory agreement associated with the City of Corona  
25 (the "City") and City of Corona Housing Authority (the "Housing Authority")  
26 loans to the Project;

27 (e) fifth priority shall be to a Notice of Agreement (First Amended and Restated

1 Affordable Housing Disposition and Development Agreement);

2 (f) sixth priority shall be a deed of trust securing the City and Housing Authority  
3 loans to the Project in a total amount of \$14,096,871.15;

4 (g) seventh priority shall be a regulatory agreement related to the density bonus for  
5 the Project;

6 (h) eighth priority shall be the COUNTY's Loan Deed of Trust; and

7 (i) ninth priority shall be the COUNTY's Loan Agreement.

8 3) COMPLIANCE WITH LAWS AND REGULATIONS. During the Term of this  
9 Covenant, OWNER, for itself and on behalf of its successors and assigns, shall adhere to and  
10 comply with all federal, state and local laws, regulations and ordinances, including, but not limited  
11 to the following:

12 a) Housing and Homelessness Incentive Program guidelines, as may be  
13 amended from time to time.

14 b) Reserved.

15 c) Affirmative marketing and minority outreach program. OWNER must  
16 adopt affirmative marketing procedures and requirements. These must include:

17 (1) Methods for informing the public, owners, and potential tenants about  
18 fair housing laws and the affirmative marketing policy (e.g., the use of the Equal Housing  
19 Opportunity logotype or slogan in press releases and solicitations for owners, and written  
20 communication to fair housing and other groups).

21 (2) Requirements and practices that OWNER must adhere to in order to  
22 carry out the affirmative marketing procedures and requirements (e.g., use of commercial media,  
23 use of community contacts, use of the Equal Housing Opportunity logotype or slogan, and display  
24 of fair housing poster).

25 (3) Procedures to be used by OWNER to inform and solicit applications  
26 from persons in the housing market area who are not likely to apply without special outreach (e.g.,  
27 use of community organizations, employment centers, fair housing groups, or housing counseling

1 agencies).

2 (4) Records that will be kept describing actions taken by OWNER to  
3 affirmatively market units and records to assess the results of these actions.

4 (5) A description of how OWNER will annually assess the success of  
5 affirmative marketing actions and what corrective actions will be taken where affirmative  
6 marketing requirements are not met.

7 4) MAINTENANCE OF THE IMPROVEMENTS. OWNER, on behalf of itself and  
8 its successors, assigns, and each successor in interest to the Property and Project or any part thereof  
9 hereby covenants to and shall protect, maintain, and preserve the Property in compliance with all  
10 applicable federal and state law and regulations and local ordinances. In addition, OWNER, its  
11 successors and assigns, shall maintain the improvements on the Property in good repair and in a  
12 neat, clean and orderly condition, reasonable wear and tear excepted. This standard for the quality  
13 of maintenance of the Property shall be met whether or not a specific item of maintenance is listed  
14 below. However, representative items of maintenance shall include frequent and regular inspection  
15 for graffiti or damage or deterioration or failure, and immediate repainting or repair or replacement  
16 of all surfaces, fencing, walls, equipment, etc., as necessary; emptying of trash receptacles and  
17 removal of litter; sweeping of public sidewalks adjacent to the Property, on-site walks and paved  
18 areas and washing-down as necessary to maintain clean surfaces; maintenance of all landscaping  
19 in a healthy and attractive condition, including trimming, fertilizing and replacing vegetation as  
20 necessary; cleaning windows on a regular basis; painting the buildings on a regular program and  
21 prior to the deterioration of the painted surfaces; conducting a roof inspection on a regular basis  
22 and maintaining the roof in a leak-free and weather-tight condition; maintaining security devices  
23 in good working order. In the event OWNER, its successors or assigns fails to maintain the  
24 Property in accordance with the standard for the quality of maintenance, the COUNTY or its  
25 designee shall have the right but not the obligation to enter the Property upon reasonable notice to  
26 OWNER, correct any violation, and hold OWNER, or such successors or assigns responsible for  
27 the cost thereof, and such cost, until paid, shall constitute a lien on the Property, subject and

1 subordinate to any Senior Liens.

2       5)       NONDISCRIMINATION. OWNER shall not discriminate on the basis of race,  
3 gender, religion, national origin, ethnicity, sexual orientation, age or disability in the solicitation,  
4 selection, hiring or treatment of any contractors or consultants, to participate in  
5 subcontracting/subconsulting opportunities. OWNER understands and agrees that violation of this  
6 clause shall be considered a material breach of this Covenant Agreement and may result in  
7 termination, debarment or other sanctions. This language shall be incorporated into all contracts  
8 between OWNER and any contractor, consultant, subcontractor, subconsultants, vendors and  
9 suppliers. OWNER shall comply with the provisions of the California Fair Employment and  
10 Housing Act (Government Code Sections 12900 et seq.), the Federal Civil Rights Act of 1964  
11 (P.L. 88-352), as amended, and all Administrative Rules and Regulations issued pursuant to said  
12 Acts and Orders with respect to its use of the Property.

13       6)       OWNER herein covenants by and for itself, its successors and assigns, and all  
14 persons claiming under or through them, that this Covenant is made and accepted upon and subject  
15 to the following conditions: There shall be no discrimination against or segregation of any person  
16 or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the  
17 Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and  
18 paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code,  
19 in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall  
20 the transferee itself or any person claiming under or through him or her, establish or permit any  
21 such practice or practices of discrimination or segregation with reference to the selection, location,  
22 number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the Property.

23       7)       OWNER, its successors and assigns, shall refrain from restricting the rental, sale,  
24 or lease of the Property or any portion thereof, on the basis of race, color, creed, religion, sex,  
25 sexual orientation, marital status, national origin, or ancestry of any person. Every deed, lease, and  
26 contract entered into with respect to the Property, or any portion thereof, after the date of this  
27 Agreement shall contain or be subject to substantially the following nondiscrimination or

1 nonsegregation clauses:

2           a) In deeds: “The grantee herein covenants by and for himself or herself, his or her  
3 heirs, executors, administrators, and assigns, and all persons claiming under or through them, that  
4 there shall be no discrimination against or segregation of, any person or group of persons on  
5 account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as  
6 those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of  
7 subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease,  
8 sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall  
9 the grantee or any person claiming under or through him or her, establish or permit any practice or  
10 practices of discrimination or segregation with reference to the selection, location, number, use or  
11 occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed.  
12 The foregoing covenants shall run with the land.”

13           b) In leases: “The lessee herein covenants by and for himself or herself, his or her  
14 heirs, executors, administrators, and assigns, and all persons claiming under or through him or her,  
15 and this lease is made and accepted upon and subject to the following conditions: That there shall  
16 be no discrimination against or segregation of any person or group of persons, on account of any  
17 basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are  
18 defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of  
19 Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing,  
20 transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee  
21 himself or herself, or any person claiming under or through him or her, establish or permit any  
22 such practice or practices of discrimination or segregation with reference to the selection, location,  
23 number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises  
24 herein leased.”

25           c) In contracts: “There shall be no discrimination against or segregation of any  
26 person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955  
27 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m)

1 and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government  
2 Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor  
3 shall the transferee itself or any person claiming under or through him or her, establish or permit  
4 any such practice or practices of discrimination or segregation with reference to the selection,  
5 location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the  
6 land.”

7 In addition to the obligations and duties of OWNER set forth herein, OWNER shall,  
8 upon notice from COUNTY, promptly pay to COUNTY all fees and costs, including  
9 administrative and attorneys’ fees, incurred by COUNTY in connection with responding to or  
10 defending any discrimination claim brought by any third party and/or local, state or federal  
11 government entity, arising out of or in connection with the Agreement or this Covenant.

12 8) INSURANCE. Without limiting or diminishing OWNER’s obligation to indemnify  
13 or hold COUNTY harmless, OWNER shall procure and maintain or cause to be maintained, at its  
14 sole cost and expense, the following insurance coverage’s during the term of this Covenant.

15 a) Worker’s Compensation Insurance. If OWNER has employees as defined  
16 by the State of California, OWNER shall maintain statutory Workers' Compensation Insurance  
17 (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers’  
18 Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per  
19 person per accident. The policy shall be endorsed to waive subrogation in favor of the County of  
20 Riverside, and, if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.

21 b) Commercial General Liability Insurance. Commercial General Liability  
22 insurance coverage, including but not limited to, premises liability, contractual liability, products  
23 and completed operations liability, personal and advertising injury, and cross liability coverage,  
24 covering claims which may arise from or out of OWNER’s performance of its obligations  
25 hereunder. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts,  
26 and Departments, their respective directors, officers, Board of Supervisors, employees, elected or  
27 appointed officials, agents or representatives as Additional Insured. Policy’s limit of liability shall

1 not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a  
2 general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times  
3 the occurrence limit.

4 c) Vehicle Liability Insurance. If vehicles or mobile equipment are used in the  
5 performance of the obligations under this Covenant, then OWNER shall maintain liability  
6 insurance for all owned, non-owned or hired vehicles so used in an amount not less than  
7 \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate  
8 limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence  
9 limit. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and  
10 Departments, their respective directors, officers, Board of Supervisors, employees, elected or  
11 appointed officials, agents or representatives as Additional Insured or provide similar evidence of  
12 coverage approved by County's Risk Manager ("Risk Manager").

13 d) General Insurance Provisions – All Lines.

14 (1) Any insurance carrier providing insurance coverage hereunder shall be  
15 admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8)  
16 unless such requirements are waived, in writing, by Risk Manager. If Risk Manager waives a  
17 requirement for a particular insurer such waiver is only valid for that specific insurer and only for  
18 one policy term.

19 (2) OWNER's insurance carrier(s) must declare its insurance self-insured  
20 retentions. If such self-insured retentions exceed \$500,000 per occurrence such retentions shall  
21 have the prior written consent of Risk Manager. Upon notification of self-insured retention  
22 unacceptable to COUNTY, and at the election of Risk Manager, OWNER's carriers shall either:  
23 (a) reduce or eliminate such self-insured retention, or (b) procure a bond which guarantees payment  
24 of losses and related investigations, claims administration, and defense costs and expenses.

25 (3) OWNER shall cause OWNER's insurance carrier(s) to furnish the  
26 County of Riverside with copies of the Certificate(s) of Insurance and Endorsements effecting  
27 coverage as required herein, and 2) if requested to do so orally or in writing by Risk Manager,

1 provide copies of policies including all Endorsements and all attachments thereto, showing such  
2 insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall  
3 contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given  
4 to the County of Riverside prior to any material modification, cancellation, expiration or reduction  
5 in coverage of such insurance. OWNER shall not continue operations until COUNTY has been  
6 furnished Certificate(s) of Insurance and copies of endorsements and if requested, copies of  
7 policies of insurance including all endorsements and any and all other attachments as required  
8 herein. An individual authorized by the insurance carrier to do so, on its behalf, shall sign the  
9 original endorsements for each policy and the Certificate of Insurance.

10 (4) It is understood and agreed to by the parties hereto that OWNER's  
11 insurance shall be construed as primary insurance, and COUNTY's insurance and/or deductibles  
12 and/or self-insured retention's or self-insured programs shall not be construed as contributory.

13 (5) If, during the term of this Covenant or any extension thereof, there is a  
14 material change in the scope of services or there is a material change in the equipment to be used  
15 in the performance of the scope of work which will add additional exposures (such as the use of  
16 aircraft, watercraft, cranes, etc.), then COUNTY reserves the right to adjust the types of insurance  
17 required under this Covenant and the monetary limits of liability for the insurance coverage's  
18 currently required herein, if; in Risk Manager's reasonable judgment, the amount or type of  
19 insurance carried by OWNER has become inadequate.

20 (6) OWNER shall pass down the insurance obligations contained herein to  
21 all tiers of subcontractors provided that subcontractor's limit of liability for commercial liability  
22 insurance shall not be less than \$1,000,000 per occurrence combined single limit.

23 (7) OWNER agrees to notify COUNTY in writing of any claim by a third  
24 party or any incident or event that may give rise to a claim arising from the performance of the  
25 Agreement.

26 9) HOLD HARMLESS/INDEMNIFICATION. OWNER shall indemnify and hold  
27 harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments,

1 their respective directors, officers, Board of Supervisors, elected and appointed officials,  
2 employees, agents and representatives (individually and collectively hereinafter referred to as  
3 Indemnitees) from any liability whatsoever, based or asserted upon any services of OWNER, its  
4 officers, employees, subcontractors, agents or representatives arising out of or in any way  
5 relating to this Agreement, including but not limited to property damage, bodily injury, or death  
6 or any other element of any kind or nature whatsoever arising from the performance of OWNER,  
7 its officers, employees, subcontractors, agents or representatives Indemnitors from this  
8 Agreement , except in the event of gross negligence or willful misconduct of the Indemnitees;  
9 provided, however, any gross negligence or willful misconduct of the Indemnitees will only  
10 affect OWNER's duty to indemnify for the specific act found to be gross negligence or willful  
11 misconduct, and will not preclude a duty to indemnify for any act or omission of OWNER.  
12 OWNER shall defend, at its sole expense, all costs and fees including, but not limited, to attorney  
13 fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or  
14 action based upon such alleged acts or omissions. With respect to any action or claim subject to  
15 indemnification herein by OWNER shall, at its sole cost, have the right to use counsel of its own  
16 choice and shall have the right to adjust, settle, or compromise any such action or claim without  
17 the prior consent of COUNTY; provided, however, that any such adjustment, settlement or  
18 compromise in no manner whatsoever limits or circumscribes OWNER's indemnification to  
19 Indemnitees as set forth herein. OWNER's obligation hereunder shall be satisfied when OWNER  
20 has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any  
21 liability for the action or claim involved. The specified insurance limits required in this  
22 Agreement shall in no way limit or circumscribe OWNER's obligations to indemnify and hold  
23 harmless the Indemnitees herein from third party claims. In the event there is conflict between  
24 this clause and California Civil Code Section 2782, this clause shall be interpreted to comply  
25 with Civil Code 2782. Such interpretation shall not relieve OWNER from indemnifying the  
26 Indemnitees to the fullest extent allowed by law. The indemnification set forth in this paragraph  
27 9 shall survive the expiration and earlier termination of this Covenant Agreement.

1           10) NOTICES. All Notices provided for in this Covenant Agreement shall be deemed  
2 received when personally delivered, or two (2) days following mailing by certified mail, return  
3 receipt requested. All mailing shall be addressed to the respective parties at their addresses set  
4 forth below, or at such other address as each party may designate in writing and give to the other  
5 party:

6  
7           COUNTY  
8 Director HWS  
9 County of Riverside  
10 3404 10<sup>th</sup> Street  
11 Riverside, CA 92501

6  
7           BORROWER  
8 Second Street Family LP  
9 c/o OHDC Second Street Family LLC  
10 414 E. Chapman Avenue  
11 Orange, CA 92866  
12 Attn: Chief Executive Officer

11  
12                           With copies to:

13                           C&C Second Street Family LLC  
14                           14211 Yorba Street, Suite 200  
15                           Tustin, CA 92780  
16                           Attn: Todd Cottle

16                           Goldfarb & Lipman LLP  
17                           1300 Clay Street, 11th Floor  
18                           Oakland, CA 94612  
19                           Attn: Lynn Hutchins

18                           And for so long as the limited partner of  
19                           BORROWER:

20                           NEF Assignment Corporation  
21                           540 W. Madison Street, Suite 1900  
22                           Chicago, IL 6066  
23                           Attn: General Counsel

23           11) REMEDIES. COUNTY shall have the right, in the event of any breach of any such  
24 agreement or covenant, to exercise all available rights and remedies, and to maintain any actions  
25 at law or suit in equity or other proper proceedings to enforce the curing of such breach of  
26 agreement or covenant.

27           12) TERM. The non-discrimination covenants, conditions and restrictions contained in

1 Section 6 of this Covenant Agreement shall remain in effect in perpetuity. Every other covenant,  
2 condition and restriction contained in this Covenant Agreement shall continue in full force and  
3 effect for the Term, as defined in **Section 1** of this Covenant Agreement.

4 13) NOTICE AND OPPORTUNITY TO CURE. Prior to exercising any remedies  
5 hereunder, the COUNTY shall give OWNER notice of such default pursuant to **Section 10** above.  
6 Any monetary default shall be cured within thirty (30) days of delivery of written notice. Except  
7 as otherwise set forth herein, if a non-monetary default is reasonably capable of being cured within  
8 thirty (30) days of delivery of such notice of default, OWNER shall have such period to effect a  
9 cure prior to exercise of remedies by COUNTY. If the non-monetary default is such that it is not  
10 reasonably capable of being cured within thirty (30) days of delivery of such notice of default, and  
11 OWNER (a) initiates corrective action within said period, and (b) diligently, continually, and in  
12 good faith works to effect a cure as soon as possible, then OWNER shall have such additional time  
13 as is reasonably necessary to cure the default prior to exercise of any remedies by the COUNTY;  
14 but in no event no later than one hundred twenty (120) days from delivery of such notice of default,  
15 subject to force majeure (including government restrictions, pandemics, and acts of God).  
16 COUNTY, upon providing OWNER with any notice of default under this Covenant, shall, within  
17 a reasonable time, provide a copy of such default notice to a Permitted Lender (as defined herein)  
18 who has given written notice to COUNTY of its interest in the Property and Project. From and  
19 after such notice has been delivered to a Permitted Lender and the Owner's limited partner, such  
20 Permitted Lender and limited partner shall have the same period for remedying the default  
21 complained of as the cure period provided to OWNER pursuant to this Section 13. COUNTY  
22 shall accept performance by a Permitted Lender or limited partner of Owner as if the same had  
23 been done by OWNER.

24 14) If a violation of any of the covenants or provisions of this Covenant remains  
25 uncured after the respective time period set forth herein, COUNTY and its successors and assigns,  
26 without regard to whether COUNTY or its successors and assigns is an owner of any land or  
27 interest therein to which these covenants relate, may institute and prosecute any proceedings at

1 law or in equity to abate, prevent or enjoin any such violation or attempted violation or to compel  
2 specific performance by OWNER of its obligations hereunder. No delay in enforcing the  
3 provisions hereof as to any breach or violation shall impair, damage or waive the right of any party  
4 entitled to enforce the provisions hereof or to obtain relief against or recover for the continuation  
5 or repetition of such breach or violations or any similar breach or violation hereof at any later time.

6 15) Any cure tendered by Owner's limited partner shall be accepted or rejected on the  
7 same basis as if tendered by OWNER.

8 16) SALE, ASSIGNMENT OR TRANSFER OF THE PROJECT OR PROPERTY.

9 Except as otherwise provided under the Loan Agreement or in Section 20 hereof, OWNER hereby  
10 covenants and agrees not to sell, transfer, assign or otherwise dispose of the Project, the Property  
11 or any portion thereof, without obtaining the prior written consent of COUNTY, in its sole  
12 discretion. Any sale, assignment, or transfer of the Project or Property shall be memorialized in an  
13 assignment and assumption agreement the form and substance of which have been first approved  
14 in writing by the COUNTY in its sole discretion. Such assignment and assumption agreement  
15 shall, among other things, provide that the transferee has assumed in writing and in full, and is  
16 reasonably capable of performing and complying with OWNER's duties and obligations under the  
17 Loan Agreement and this Covenant, provided, however OWNER shall be released of all  
18 obligations under the Loan Agreement and this Covenant Agreement accruing from and after the  
19 date of such sale, assignment or transfer. Notwithstanding anything to the contrary contained  
20 herein, the following shall be permitted without COUNTY's consent, but with prior written notice  
21 to COUNTY: (a) admission of limited partners to OWNER and the purchase of any such limited  
22 partner interests by the general partners of OWNER or their affiliates or otherwise in accordance  
23 with that certain Purchase Option and Right of First Refusal between the OWNER and the general  
24 partners of OWNER or their affiliates; (b) removal for cause of any general partner of OWNER  
25 by a limited partner of OWNER, and the replacement thereof, in accordance with OWNER's  
26 Amended and Restated Agreement of Limited Partnership (the "Partnership Agreement"), and  
27 amendments to the Partnership Agreement required to effectuate such removal and replacement

1 (or any other Permitted Transfers pursuant to this Section), provided COUNTY receives five (5)  
2 business days advance written notice of such removal and an executed copy of any amendment to  
3 the Partnership Agreement effectuating such transfer within ten (10) days after execution thereof;  
4 (c) lease for occupancy of HHIP-Assisted Units in the Project in accordance with the terms of this  
5 Covenant Agreement; (d) the granting of easements or permits to facilitate the development of the  
6 Project in accordance with the terms of this Agreement; (e) encumbering the Property with deeds  
7 of trust or mortgages permitted under the terms of the Loan Documents (including, but not limited  
8 to, any deed of trust or mortgage in connection with the refinancing of the Senior Loans Deeds of  
9 Trust) and (f) the withdrawal, transfer, and/or replacement of any limited partner interest (or of  
10 any interest thereof) in OWNER (collectively a “Permitted Transfer”).

11 17) AMENDMENTS OR MODIFICATIONS. This Covenant Agreement may be  
12 changed or modified only by a written amendment signed by authorized representatives of both  
13 parties.

14 18) GOVERNING LAW; VENUE; SEVERABILITY. This Covenant Agreement shall  
15 be governed by the laws of the State of California. Any legal action related to the performance or  
16 interpretation of this Covenant shall be filed only in the Superior Court of the State of California  
17 located in Riverside, California, and the parties waive any provision of law providing for a change  
18 of venue to another location. In the event any provision in this Covenant Agreement is held by a  
19 court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will  
20 nevertheless continue in full force without being impaired or invalidated in any way.

21 19) BINDING EFFECT. The rights and obligations of this Covenant shall bind and  
22 inure to the benefit of the respective heirs, successors and assigns of the parties.

23 20) PERMITTED MORTGAGES. No violation or breach of the covenants, conditions,  
24 restrictions, provisions or limitations contained in this Covenant Agreement shall defeat or render  
25 invalid or in any way impair the lien or charge of any deed of trust or mortgage permitted by the  
26 Loan Agreement or the lien or charge of a deed of trust made by OWNER for the benefit of any  
27 lender first approved in writing by the COUNTY as evidenced in the Loan Agreement or otherwise

1 (each, a “Permitted Lender”) and, notwithstanding anything to the contrary herein or the other  
2 Loan Documents (as defined in the Note), nothing herein or in the Loan Documents shall prohibit  
3 or otherwise limit the exercise of a Permitted Lender’s rights and remedies thereunder, including  
4 a foreclosure or deed-in-lieu of foreclosure and subsequent transfer thereafter.

5 21) SEVERABILITY. In any event that any provision, whether constituting a separate  
6 paragraph or whether contained in a paragraph with other provisions, is hereafter determined to be  
7 void and unenforceable, it shall be deemed separated and deleted from the agreement and the  
8 remaining provisions of this Agreement shall remain in full force and effect.

9 22) PROJECT MONITORING AND EVALUATION.

10 a) Reserved.

11 b) Inspections. During the Affordability Period, COUNTY must perform on-  
12 site inspections of Assisted Units to determine compliance with the property standards. The on-  
13 site inspections shall occur within 12 months after the effective date of this Covenant Agreement  
14 and at least once every 3 years thereafter during the Affordability Period. If there are observed  
15 deficiencies for any of the inspectable items in the property standards established by COUNTY,  
16 a follow-up on-site inspection to verify that deficiencies are corrected must occur within 12  
17 months. COUNTY may establish a list of non-hazardous deficiencies for which correction can be  
18 verified by third party documentation (e.g., paid invoice for work order) rather than re-inspection.  
19 Health and safety deficiencies must be corrected immediately. COUNTY must adopt a more  
20 frequent inspection schedule for properties that have been found to have health and safety  
21 deficiencies. The property owner must annually certify to the COUNTY that each building and  
22 all Assisted-Units in the Project are suitable for occupancy, taking into account State and local  
23 health, safety, and other applicable codes, ordinances, and requirements, and the ongoing property  
24 standards established by the participating jurisdiction.

25 23) ACCESS TO PROJECT SITE. Representatives of the COUNTY shall have the  
26 right of access to the Property, upon 24 hours’ written notice to OWNER (except in the case of an  
27 emergency, in which case COUNTY shall provide such notice as may be practical under the

1 circumstances), without charges or fees, during normal business hours to review the operation of  
2 the Project in accordance with this Covenant and the Agreement.

3 24) COUNTERPARTS. This Covenant may be signed by the different parties hereto in  
4 counterparts, each of which shall be an original, but all of which together shall constitute one and  
5 the same agreement.

6 25) RECITALS. The Recitals set forth above are true and correct and incorporated  
7 herein by this reference.

8 26) This Covenant Agreement sets forth and contains the entire understanding and  
9 agreement of the parties hereto. There are no oral or written representations, understandings, or  
10 ancillary covenants, undertakings or agreements, which are not contained or expressly referred to  
11 within this Covenant Agreement, including all amendments and modifications to this Covenant  
12 Agreement.

13 ///

14 ///

15 [Remainder of Page Intentionally Blank]

16 [SIGNATURES ON THE NEXT PAGE]

17

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27

1 IN WITNESS WHEREOF, COUNTY and OWNER have executed this Covenant as of  
2 the dates written below.

3 COUNTY OF RIVERSIDE, a political  
4 subdivision of the State of California

**SECOND STREET FAMILY LP,**  
a California limited partnership

5 By: \_\_\_\_\_  
6 Heidi Marshall, Director HWS

By: OHDC Second Street Family LLC,  
a California limited liability company,  
its managing general partner

By: Orange Housing Development  
Corporation, Inc.,  
a California nonprofit public benefit  
corporation,  
its sole member and manager

By: \_\_\_\_\_  
Eunice Bobert  
Chief Executive Officer

By: C&C Second Street Family LLC,  
a California limited liability company,  
its developer general partner

By: C & C Development Co., LLC,  
a California limited liability  
company,  
its sole member and manager

By: \_\_\_\_\_  
Todd R. Cottle, its manager

20 Date: \_\_\_\_\_

Date: \_\_\_\_\_

**(Above signatures need to be notarized)**

22 APPROVED AS TO FORM:  
23 MINH C. TRAN  
24 County Counsel

25 By: \_\_\_\_\_  
26 Amrit P. Dhillon, Deputy County Counsel  
27

**ALL-PURPOSE ACKNOWLEDGMENT NOTARY FOR  
CALIFORNIA**

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 \_\_\_\_\_, 2025, before me, \_\_\_\_\_,

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.

\_\_\_\_\_  
Signature of Notary Public

**ALL-PURPOSE ACKNOWLEDGMENT NOTARY FOR CALIFORNIA**

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 \_\_\_\_\_, 2025, before me, \_\_\_\_\_,  
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.

\_\_\_\_\_  
Signature of Notary Public

**EXHIBIT "A"**  
**Legal Description of Property**

**ACCESSOR'S PARCEL NUMBERS: 118-270-051; 118-270-053; 118-270-055**

PARCEL "B" AS SHOWN ON LOT LINE ADJUSTMENT NO. 25-003, AS SHOWN ON DOCUMENT RECORDED \_\_\_\_\_ AS DOCUMENT NO. \_\_\_\_\_, OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT 5, IN BLOCK 66 OF LANDS OF THE SOUTH RIVERSIDE LAND AND WATER COMPANY, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING PORTIONS OF CALTRANS PARCELS 22219-REM AND 22222-REM AS DESCRIBED IN GRANT DEED RECORDED NOVEMBER 8, 2019 AS INSTRUMENT NO. 2019-462265, OF OFFICIAL RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS A WHOLE AS FOLLOWS:

**BEGINNING** AT THE CENTERLINE INTERSECTION OF S BUENA VISTA AVENUE AND W 6TH STREET, AS SHOWN ON A MAP FILED IN BOOK 143, PAGES 94 THROUGH 113, INCLUSIVE OF RECORDS OF SURVEYS, RECORDS OF SAID COUNTY;

THENCE ALONG SAID CENTERLINE OF S BUENA VISTA AVENUE NORTH 08°02'08" EAST 1,479.22 FEET;

THENCE LEAVING SAID CENTERLINE, NORTH 81°57'52" WEST 30.00 FEET TO A POINT IN THE WESTERLY RIGHT-OF-WAY OF S BUENA VISTA AVENUE (60 FEET WIDE), AND THE EASTERLY LINE OF SAID LOT 5, AND THE NORTHERLY LINE OF SAID GRANT DEED, AND THE **TRUE POINT OF BEGINNING**;

THENCE, ALONG SAID NORTHERLY LINE, THE FOLLOWING SIX (6) COURSES:

- 1) NORTH 38°05'40" WEST 22.46 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 9,968.25 FEET, A RADIAL LINE FROM SAID BEGINNING OF CURVE BEARS SOUTH 05°40'54" WEST;
- 2) WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 28.63 FEET THROUGH A CENTRAL ANGLE OF 00°09'52";
- 3) ALONG A LINE NON-TANGENT TO SAID CURVE, NORTH 84°28'59" WEST 172.40 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 968.02 FEET;
- 4) WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 365.82 FEET THROUGH A CENTRAL ANGLE OF 21°39'11" TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 50.00 FEET, A RADIAL LINE FROM SAID BEGINNING OF A CURVE BEARS SOUTH 16°08'10" EAST;
- 5) WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 2.96 FEET THROUGH A CENTRAL ANGLE OF 03°23'25";
- 6) SOUTH 70°28'25" WEST 5.40 FEET;

THENCE LEAVING SAID NORTHERLY LINE, SOUTH 08°03'29" WEST, 190.36 FEET TO THE SOUTH LINE OF THE NORTHERLY RECTANGULAR 20 FEET OF THE SOUTHERLY 2.5 ACRES OF SAID LOT 5;

THENCE ALONG SAID SOUTH LINE, SOUTH 82°00'00" EAST, 578.40 FEET TO SAID WESTERLY RIGHT-OF-WAY LINE OF S BUENA VISTA AVENUE;

THENCE ALONG SAID WESTERLY RIGHT-OF-WAY AND SAID EASTERLY LINE, NORTH 08°02'08" EAST, 270.96 FEET TO THE **TRUE POINT OF BEGINNING**.

THE ABOVE DESCRIBED PARCEL CONTAINS 3.451 ACRES, MORE OR LESS.

**ACCESSOR'S PARCEL NUMBER: 118-302-030**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT 10, IN BLOCK 64 OF LANDS OF THE SOUTH RIVERSIDE LAND AND WATER COMPANY, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. BEING A PORTION OF THE LAND DESCRIBED IN THE DEED RECORDED JUNE 23, 1992 AS INSTRUMENT NO. 230917 OF OFFICIAL RECORDS OF SAID COUNTY, LYING SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE CENTERLINE INTERSECTION OF BUENA VISTA AVENUE AND 6TH STREET, AS SHOWN ON THE RECORD OF SURVEY FILED IN BOOK 143, PAGES 94 THROUGH 113, INCLUSIVE OF RECORDS OF SURVEY, RECORDS OF SAID COUNTY; THENCE NORTH 08° 02' 08" EAST 1482.02 FEET ALONG THE CENTERLINE OF SAID BUENA VISTA AVENUE; THENCE SOUTH 81° 57' 52" EAST 30.00 FEET TO THE EASTERLY LINE OF SAID BUENA VISTA AVENUE AND THE TRUE POINT OF BEGINNING; THENCE NORTH 52° 08' 39" EAST 22.39 FEET TO A NON-TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 9968.00 FEET, A RADIAL LINE TO SAID CURVE BEARS NORTH 06° 12' 34" EAST; THENCE EASTERLY 571.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 03° 16' 56"; THENCE SOUTH 80° 30' 30" EAST 51.02 FEET; THENCE SOUTH 33° 51' 13" EAST 39.01 FEET TO A LINE THAT IS PARALLEL WITH AND 0.25 FEET WESTERLY OF THE EASTERLY LINE OF LOT 9 IN BLOCK 64 OF SOUTH RIVERSIDE LAND AND WATER COMPANY LANDS, AS SHOWN BY MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, STATE OF CALIFORNIA; THENCE SOUTH 08° 03' 40" WEST 11.86 FEET ALONG SAID PARALLEL LINE TO THE SOUTHERLY LINE OF THE NORTHERLY 100.00 FEET OF THE SOUTHERLY 198.00 FEET OF SAID LOT 9 AND THE POINT OF TERMINATION.

Assessor's Parcel Number: **118-270-051, 118-270-053, 118-270-055 and 118-302-030**

# **EXHIBIT “F”**

Request for Notices

NO FEE FOR RECORDING PURSUANT  
TO GOVERNMENT CODE SECTION 6103

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

County of Riverside  
Housing and Workforce Solutions  
3403 10<sup>th</sup> Street, Suite 300  
Riverside, CA 92501  
Attn: Alicia Jaimes

SPACE ABOVE THIS LINE FOR RECORDERS USE

### REQUEST for NOTICE UNDER SECTION 2924b CIVIL CODE

In accordance with Civil Code Section 2924b, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust dated \_\_\_\_\_, 2025, and recorded concurrently herewith in the Official Records of the County of Riverside, California, executed by Second Street Family LP, a California limited partnership, as Trustor in which \_ California Municipal Finance Authority, a joint exercise of powers agency\_ is named as Beneficiary, and PRLAP, Inc. as Trustee, and describing land referred to in this Request for Notice is situated in the County of Riverside, City of Corona, State of California, and is described as follows:

Real property in the County of Riverside, State of California, described in Exhibit A, Legal Description, which is attached hereto and incorporated by this reference.

Assessor's Parcel Number: **118-270-051, 053, -055, and 118-302-030**

All notices to be mailed to:

Attn: Director HWS  
County of Riverside  
Housing and Workforce Solutions  
3403 10th Street, Suite 300  
Riverside, CA 92501

Request is hereby made that a copy of any notice of default and a copy of any notice of sale under the deed of trust

**NOTICE: A copy of any notice of default and of any notice of sale will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.**

COUNTY OF RIVERSIDE DEPARTMENT OF HOUSING  
AND WORKFORCE SOLUTIONS

\_\_\_\_\_  
Juan Garcia, Deputy Director, HWS

**EXHIBIT A**  
**Legal Description of Property**

**ACCESSOR'S PARCEL NUMBERS: 118-270-051; 118-270-053; 118-270-055**

PARCEL "B" AS SHOWN ON LOT LINE ADJUSTMENT NO. 25-003, AS SHOWN ON DOCUMENT RECORDED \_\_\_\_\_ AS DOCUMENT NO. \_\_\_\_\_, OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT 5, IN BLOCK 66 OF LANDS OF THE SOUTH RIVERSIDE LAND AND WATER COMPANY, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING PORTIONS OF CALTRANS PARCELS 22219-REM AND 22222-REM AS DESCRIBED IN GRANT DEED RECORDED NOVEMBER 8, 2019 AS INSTRUMENT NO. 2019-462265, OF OFFICIAL RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS A WHOLE AS FOLLOWS:

**BEGINNING** AT THE CENTERLINE INTERSECTION OF S BUENA VISTA AVENUE AND W 6TH STREET, AS SHOWN ON A MAP FILED IN BOOK 143, PAGES 94 THROUGH 113, INCLUSIVE OF RECORDS OF SURVEYS, RECORDS OF SAID COUNTY;

THENCE ALONG SAID CENTERLINE OF S BUENA VISTA AVENUE NORTH 08°02'08" EAST 1,479.22 FEET;

THENCE LEAVING SAID CENTERLINE, NORTH 81°57'52" WEST 30.00 FEET TO A POINT IN THE WESTERLY RIGHT-OF-WAY OF S BUENA VISTA AVENUE (60 FEET WIDE), AND THE EASTERLY LINE OF SAID LOT 5, AND THE NORTHERLY LINE OF SAID GRANT DEED, AND THE **TRUE POINT OF BEGINNING**;

THENCE, ALONG SAID NORTHERLY LINE, THE FOLLOWING SIX (6) COURSES:

- 1) NORTH 38°05'40" WEST 22.46 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 9,968.25 FEET, A RADIAL LINE FROM SAID BEGINNING OF CURVE BEARS SOUTH 05°40'54" WEST;
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- 3) ALONG A LINE NON-TANGENT TO SAID CURVE, NORTH 84°28'59" WEST 172.40 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 968.02 FEET;
- 4) WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 365.82 FEET THROUGH A CENTRAL ANGLE OF 21°39'11" TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 50.00 FEET, A RADIAL LINE FROM SAID BEGINNING OF A CURVE BEARS SOUTH 16°08'10" EAST;
- 5) WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 2.96 FEET THROUGH A CENTRAL ANGLE OF 03°23'25";
- 6) SOUTH 70°28'25" WEST 5.40 FEET;

THENCE LEAVING SAID NORTHERLY LINE, SOUTH 08°03'29" WEST, 190.36 FEET TO THE SOUTH LINE OF THE NORTHERLY RECTANGULAR 20 FEET OF THE SOUTHERLY 2.5 ACRES OF SAID LOT 5;

THENCE ALONG SAID SOUTH LINE, SOUTH 82°00'00" EAST, 578.40 FEET TO SAID WESTERLY RIGHT-OF-WAY LINE OF S BUENA VISTA AVENUE;

THENCE ALONG SAID WESTERLY RIGHT-OF-WAY AND SAID EASTERLY LINE, NORTH 08°02'08" EAST, 270.96 FEET TO THE **TRUE POINT OF BEGINNING**.

THE ABOVE DESCRIBED PARCEL CONTAINS 3.451 ACRES, MORE OR LESS.

**ACCESSOR'S PARCEL NUMBER: 118-302-030**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT 10, IN BLOCK 64 OF LANDS OF THE SOUTH RIVERSIDE LAND AND WATER COMPANY, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. BEING A PORTION OF THE LAND DESCRIBED IN THE DEED RECORDED JUNE 23, 1992 AS INSTRUMENT NO. 230917 OF OFFICIAL RECORDS OF SAID COUNTY, LYING SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE CENTERLINE INTERSECTION OF BUENA VISTA AVENUE AND 6TH STREET, AS SHOWN ON THE RECORD OF SURVEY FILED IN BOOK 143, PAGES 94 THROUGH 113, INCLUSIVE OF RECORDS OF SURVEY, RECORDS OF SAID COUNTY; THENCE NORTH 08° 02' 08" EAST 1482.02 FEET ALONG THE CENTERLINE OF SAID BUENA VISTA AVENUE; THENCE SOUTH 81° 57' 52" EAST 30.00 FEET TO THE EASTERLY LINE OF SAID BUENA VISTA AVENUE AND THE TRUE POINT OF BEGINNING; THENCE NORTH 52° 08' 39" EAST 22.39 FEET TO A NON-TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 9968.00 FEET, A RADIAL LINE TO SAID CURVE BEARS NORTH 06° 12' 34" EAST; THENCE EASTERLY 571.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 03° 16' 56"; THENCE SOUTH 80° 30' 30" EAST 51.02 FEET; THENCE SOUTH 33° 51' 13" EAST 39.01 FEET TO A LINE THAT IS PARALLEL WITH AND 0.25 FEET WESTERLY OF THE EASTERLY LINE OF LOT 9 IN BLOCK 64 OF SOUTH RIVERSIDE LAND AND WATER COMPANY LANDS, AS SHOWN BY MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, STATE OF CALIFORNIA; THENCE SOUTH 08° 03' 40" WEST 11.86 FEET ALONG SAID PARALLEL LINE TO THE SOUTHERLY LINE OF THE NORTHERLY 100.00 FEET OF THE SOUTHERLY 198.00 FEET OF SAID LOT 9 AND THE POINT OF TERMINATION.

Assessor's Parcel Number: **118-270-051, 118-270-053, 118-270-055 and 118-302-030**

NO FEE FOR RECORDING PURSUANT  
TO GOVERNMENT CODE SECTION 6103

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

County of Riverside  
Housing and Workforce Solutions  
3403 10<sup>th</sup> Street, Suite 300  
Riverside, CA 92501  
Attn: Alicia Jaimes

SPACE ABOVE THIS LINE FOR RECORDERS USE

**REQUEST for NOTICE UNDER SECTION 2924b CIVIL CODE**

In accordance with Civil Code Section 2924b, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust dated \_\_\_\_\_, 2025, and recorded concurrently herewith in the Official Records of the County of Riverside, California, executed by Second Street Family LP, a California limited partnership, as Trustor in which the City of Corona Housing Authority and the City of Corona is named as Beneficiary, and Commonwealth Land Title as Trustee, and describing land referred to in this Request for Notice is situated in the County of Riverside, City of Corona, State of California, and is described as follows:

Real property in the County of Riverside, State of California, described in Exhibit A, Legal Description, which is attached hereto and incorporated by this reference.

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All notices to be mailed to:

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County of Riverside  
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COUNTY OF RIVERSIDE DEPARTMENT OF HOUSING  
AND WORKFORCE SOLUTIONS

\_\_\_\_\_  
Juan Garcia, Deputy Director HWS

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**Legal Description of Property**

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Assessor's Parcel Number: **118-270-051, 118-270-053, 118-270-055 and 118-302-030**

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

City of Corona Housing Authority  
400 S. Vicentia Avenue  
Corona, CA 92882  
Attn: Executive Director

APNs:

SPACE ABOVE FOR RECORDER'S USE ONLY  
EXEMPT FROM RECORDING FEE PER  
GOVERNMENT CODE §27383 AND §27388.1(a)(2)(D)

## SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

This Subordination Agreement ("**Agreement**") is made as of October \_\_, 2025, by and among the COUNTY OF RIVERSIDE, a political subdivision of the State of California ("**Junior Lienholder**"), whose address is Housing and Workforce Solutions, 3403 10<sup>th</sup> Street, Suite 300 Riverside, CA 92501, the CITY OF CORONA HOUSING AUTHORITY, a public body, corporate and politic, organized under the laws of the State of California ("**Authority**"), whose address is 400 S. Vicentia Avenue, Corona, CA 92882, and the CITY OF CORONA, a municipal corporation ("**City**", and together with the Authority, the "**Senior Lienholder**"), whose address is 400 S. Vicentia Avenue, Corona, CA 92882, and SECOND STREET FAMILY LP, a California limited partnership ("**Borrower**"), whose address is 414 E. Chapman Avenue, Orange, CA 92866.

### WITNESSETH

A. Borrower is executing a Deed of Trust, Security Agreement and Fixture Filing, dated October \_\_, 2025, naming Junior Lienholder as the Beneficiary, to secure a promissory note in the sum of Four Million Dollars (\$4,000,000.00) payable to Junior Lienholder ("**Junior Lienholder Deed of Trust**"), which is recording against certain real property in the City of Corona, County of Riverside, State of California, which property is more particularly described in Exhibit A attached hereto and by this reference made a part hereof (the "**Property**") in the Official Records of the County of Riverside, State of California (the "**Official Records**"), substantially concurrently herewith.

B. Borrower is executing a Deed of Trust, Security Agreement and Fixture Filing (with Assignment of Rents), dated October \_\_, 2025, naming Senior Lienholder as the Beneficiary, to secure the four loans (collectively, the "**Loan**") evidenced by those certain four

*Subordination Agreement  
County of Riverside to City of Corona Housing Authority & City of Corona*

Promissory Notes each of even date herewith, one payable to the City and the Authority in the principal amount of Four Million Thirty Thousand Dollars (\$4,030,000.00), one payable to the City in the principal amount of Five Hundred Thirty One Thousand Five Hundred Ninety-One and Fifteen Hundredths Dollars (\$531,591.15), one payable to the City in the principal amount of Two Million Dollars (\$2,000,000.00), and one payable to the Authority in the principal amount of Seven Million Five Hundred Thirty-Five Thousand Two Hundred Eighty Dollars (\$7,535,280.00) (collectively, the "**Senior Lienholder Deed of Trust**"), which is recording against the Property in the Official Records, substantially concurrently herewith.

C. It is a condition precedent to obtaining the Loan from the Senior Lienholder that the Senior Lienholder Deed of Trust shall unconditionally be and remain at all times a lien or charge upon the Property, prior and superior to the lien or charge of the Junior Lienholder Deed of Trust.

D. Senior Lienholder is willing to make the Loan provided the Senior Lienholder Deed of Trust securing the same is a lien or charge upon the Property prior and superior to the lien or charge of the Junior Lienholder Deed of Trust and provided that Junior Lienholder will specifically and unconditionally subordinate the lien or charge of the Junior Lienholder Deed of Trust to the lien or charge of the Senior Lienholder Deed of Trust.

E. It is to the mutual benefit of the parties hereto that Senior Lienholder make the Loan to Borrower, and Senior Lienholder is willing that the Senior Lienholder Deed of Trust securing the same shall, when recorded, constitute a lien or charge upon the Property which is unconditionally prior and superior to the lien or charge of the Junior Lienholder Deed of Trust.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to induce Senior Lienholder to make the Loan, the parties hereto declare, understand and agree:

1. That the Senior Lienholder Deed of Trust securing the Loan as well as all other obligations recited therein as being secured thereby, and any renewals or extensions thereof, unconditionally shall be and remain at all times a lien or charge upon the Property prior and superior to the lien or charge of the Junior Lienholder Deed of Trust.
2. That Senior Lienholder would not make the Loan without this Agreement.
3. That this Agreement shall be the whole and only agreement with regard to the subordination of the Junior Lienholder Deed of Trust in favor of the Senior Lienholder Deed of Trust, and this Agreement shall supersede and cancel, but only insofar as would affect the priority between the Junior Lienholder Deed of Trust and the Senior Lienholder Deed of Trust, any prior agreement as to such subordination, including but not limited to, those provisions, if any, contained in the Junior Lienholder Deed of Trust which provide for the subordination of the

lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

Junior Lienholder declares, agrees and acknowledges that:

1. It consents to the Loan and accepts all provisions of the Senior Lienholder Deed of Trust.
2. It intentionally subordinates the lien or charge of the Junior Lienholder Deed of Trust in favor of the Senior Lienholder Deed of Trust, as to the Loan as well as all other obligations recited therein as being secured thereby, and understands that in reliance upon and in consideration of this subordination, specific monetary and other obligations are being made and will be entered into which would not be made or entered into but for Senior Lienholder's reliance upon this subordination.

The parties hereto further agree:

1. This Agreement may be executed in any number of separate counterparts, each of which shall be deemed an original, and all of which counterparts taken together shall constitute one agreement.
2. This Agreement will be governed by or construed in accordance with the laws of the State of California and federal law, where applicable.
3. Each party hereto shall give each of the other parties hereto notice of 30 days prior to notice of default under either the Junior Lienholder Deed of Trust and the Senior Lienholder Deed of Trust (individually, a "**Deed of Trust**") and shall have the right to cure a default on either Deed of Trust at any time prior to a foreclosure sale under such Deed of Trust.

[Signatures on Following Pages]

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

**JUNIOR LIENHOLDER:**

COUNTY OF RIVERSIDE, a political  
subdivision of the State of California

By: \_\_\_\_\_  
Heidi Marshall, Director HWS

APPROVED AS TO FORM:  
MINH C. TRAN  
County Counsel

By: \_\_\_\_\_  
Amrit P. Dhillon, Deputy County Counsel

**[SIGNATURE MUST BE NOTARY ACKNOWLEDGED]**

**SENIOR LIENHOLDER:**

**AUTHORITY:**

CITY OF CORONA HOUSING AUTHORITY,  
a public body, corporate and politic, organized under the laws of the State of California,

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Jacob Ellis  
Executive Director

**ATTEST:**

\_\_\_\_\_  
Authority Secretary

**CITY:**

CITY OF CORONA,  
a California municipal corporation

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Jacob Ellis  
City Manager

**ATTEST:**

\_\_\_\_\_  
City Clerk

**[SIGNATURES MUST BE NOTARY ACKNOWLEDGED]**

**BORROWER:**

SECOND STREET FAMILY LP, a California limited partnership

By: OHDC Second Street Family LLC,  
a California limited liability company,  
its managing general partner

By: Orange Housing Development Corporation,  
a California nonprofit corporation,  
its sole member and manager

By: \_\_\_\_\_  
Eunice Bobert, Chief Executive Officer

By: C&C Second Street Family LLC,  
a California limited liability company,  
its developer general partner

By: \_\_\_\_\_  
Todd R. Cottle, its manager

**[SIGNATURES MUST BE NOTARY ACKNOWLEDGED]**

EXHIBIT A

PROPERTY DESCRIPTION

**ACCESSOR'S PARCEL NUMBERS: 118-270-051; 118-270-053; 118-270-055**

PARCEL "B" AS SHOWN ON LOT LINE ADJUSTMENT NO. 25-003, AS SHOWN ON DOCUMENT RECORDED \_\_\_\_\_ AS DOCUMENT NO. \_\_\_\_\_, OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT 10, IN BLOCK 64 OF LANDS OF THE SOUTH RIVERSIDE LAND AND WATER COMPANY, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. BEING A PORTION OF THE LAND DESCRIBED IN THE DEED RECORDED JUNE 23, 1992 AS INSTRUMENT NO. 230917 OF OFFICIAL RECORDS OF SAID COUNTY, LYING SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE CENTERLINE INTERSECTION OF BUENA VISTA AVENUE AND 6TH STREET, AS SHOWN ON THE RECORD OF SURVEY FILED IN BOOK 143, PAGES 94 THROUGH 113, INCLUSIVE OF RECORDS OF SURVEY, RECORDS OF SAID COUNTY; THENCE NORTH 08° 02' 08" EAST 1482.02 FEET ALONG THE CENTERLINE OF SAID BUENA VISTA AVENUE; THENCE SOUTH 81° 57' 52" EAST 30.00 FEET TO THE EASTERLY LINE OF SAID BUENA VISTA AVENUE AND THE TRUE POINT OF BEGINNING; THENCE NORTH 52° 08' 39" EAST 22.39 FEET TO A NON-TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 9968.00 FEET, A RADIAL LINE TO SAID CURVE BEARS NORTH 06° 12' 34" EAST; THENCE EASTERLY 571.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 03° 16' 56"; THENCE SOUTH 80° 30' 30" EAST 51.02 FEET; THENCE SOUTH 33° 51' 13" EAST 39.01 FEET TO A LINE THAT IS PARALLEL WITH AND 0.25 FEET WESTERLY OF THE EASTERLY LINE OF LOT 9 IN BLOCK 64 OF SOUTH RIVERSIDE LAND AND WATER COMPANY LANDS, AS SHOWN BY MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, STATE OF CALIFORNIA; THENCE SOUTH 08° 03' 40" WEST 11.86 FEET ALONG SAID PARALLEL LINE TO THE SOUTHERLY LINE OF THE NORTHERLY 100.00 FEET OF THE SOUTHERLY 198.00 FEET OF SAID LOT 9 AND THE POINT OF TERMINATION.

Assessor's Parcel Number: **118-270-051, 118-270-053, 118-270-055 and 118-302-030**

ACKNOWLEDGMENT

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

State of California  
County of \_\_\_\_\_)

On \_\_\_\_\_ before me, \_\_\_\_\_  
(insert name and title of the officer)

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.

Signature \_\_\_\_\_(Seal)

ACKNOWLEDGMENT

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

State of California  
County of \_\_\_\_\_)

On \_\_\_\_\_ before me, \_\_\_\_\_  
(insert name and title of the officer)

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.

Signature \_\_\_\_\_(Seal)

ACKNOWLEDGMENT

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

State of California  
County of \_\_\_\_\_)

On \_\_\_\_\_ before me, \_\_\_\_\_  
(insert name and title of the officer)

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.

Signature \_\_\_\_\_(Seal)

ACKNOWLEDGMENT

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

State of California  
County of \_\_\_\_\_)

On \_\_\_\_\_ before me, \_\_\_\_\_  
(insert name and title of the officer)

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.

Signature \_\_\_\_\_(Seal)

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

Davis Wright Tremaine LLP  
350 South Grand Avenue, 27th Floor  
Los Angeles, CA 90071  
Attn: Tiffany K. Switzer, Esq.

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**SUBORDINATION AGREEMENT**  
**(County of Riverside)**

**NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN AND RESTRICTIVE COVENANTS ON THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.**

This SUBORDINATION AGREEMENT (this “**Agreement**”) is made as of October 1, 2025, by and among SECOND STREET FAMILY LP, a California limited partnership (“**Borrower**”), the COUNTY OF RIVERSIDE, a political subdivision of the State of California (the “**Subordinate Lender**”), and BANK OF AMERICA, N.A., a national banking association (together with its successors and assigns, “**Senior Lender**”).

- A. Borrower has a fee interest in the real property described on Exhibit A, attached hereto and incorporated herein by reference (the “**Property**”).
- B. Concurrent with the date herewith, Subordinate Lender has made two loans (collectively, the “**Subordinate Loan**”) to Borrower, comprised of one loan (the “**HHIP Loan**”) in the maximum principal amount of \$3,000,000 and a second loan (the “**General Funds Loan**”) in the maximum principal amount of \$1,000,000.
- C. The Subordinate Loan is evidenced by that certain Loan Agreement for Second Street Apartments dated as of \_\_\_\_\_, by and between Borrower and Subordinate Lender (the “**Subordinate Loan Agreement**”), which shall be recorded in the Official Records of the County of Riverside (“**Official Records**”) substantially concurrently herewith, and that certain Promissory Note (the “**Subordinate Note**”), made by Borrower to the order of the Subordinate Lender, in the face principal amount of \$4,000,000. The Subordinate Note is secured by that certain Deed of Trust, Security Agreement and Fixture Filing (with Assignment of Rents) dated as of \_\_\_\_\_ (the “**Subordinate Deed of Trust**”), made by Borrower, as Trustor, for the benefit of the Subordinate Lender, as Beneficiary, which shall be recorded in the Official Records substantially concurrently herewith. Borrower and Subordinate Lender have also entered into that certain Covenant Agreement (Second Street Family Apartments) dated as of \_\_\_\_\_ (the “**Covenant Agreement**”), which shall be recorded in the Official Records substantially concurrently herewith, imposing certain restrictions on the Property and relating to the Subordinate Loan. **Sections 1 and 16** of the Covenant Agreement are collectively referred to herein as the “**Subordinated Covenant Agreement Provisions**”.
- D. The Subordinate Loan Agreement, the Subordinate Note, the Subordinate Deed of Trust, and the Covenant Agreement shall be referred to herein collectively as the “**Subordinated Loan Documents**”. The Subordinated Covenant Agreement Provisions are excluded from the definition of “Subordinated Loan Documents”. The Covenant Agreement, except for the Subordinated

Covenant Agreement Provisions, together with the Subordinated Loan Documents, are collectively referred to as “**County Documents**”.

- E. Pursuant to that certain Construction Loan Agreement dated as of even date herewith (the “**Senior Loan Agreement**”), executed by and between Borrower and Senior Lender, Senior Lender has agreed to make a loan (the “**Senior Loan**”) to Borrower in the maximum principal amount of \$ \_\_\_\_\_, in order to enable Borrower to finance the construction of low-income multifamily residential apartments on the Property. The obligations of the Borrower in connection with the Senior Loan Agreement are evidenced by that certain Promissory Note dated as of even date herewith (the “**Senior Note**”), made by Borrower to the order of Senior Lender in the face principal amount of the Senior Loan, and are secured by, among other things, that certain Construction Deed of Trust with Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of even date herewith (the “**Senior Deed of Trust**”), executed by Borrower, as trustor, naming PRLAP, Inc., a North Carolina corporation, as trustee, and Senior Lender, as beneficiary. The Senior Deed of Trust shall be recorded substantially concurrently herewith in the Official Records. The Senior Loan Agreement, the Senior Deed of Trust, the Senior Note and all other documents defined in the Senior Loan Agreement as “**Loan Documents**” are hereinafter collectively referred to as “**Senior Loan Documents**”. Any capitalized terms used but not defined herein shall have the meaning set forth in the Senior Loan Agreement.
- F. As a condition to Senior Lender making the Senior Loan secured by the Senior Deed of Trust, Senior Lender requires that the Senior Deed of Trust be unconditionally and at all times remain a lien or charge upon the Property, prior and superior to all the rights of Subordinate Lender secured by the Subordinate Deed of Trust, the repayment of the Subordinate Loan and Subordinate Lender’s rights under the Subordinated Loan Documents (notwithstanding any language to the contrary contained in the County Documents) and, subject to the terms hereof, that Subordinate Lender specifically and unconditionally subordinates the Subordinate Deed of Trust, the repayment of the Subordinate Loan and Subordinate Lender’s rights under the Subordinated Loan Documents to the lien or charge of the Senior Deed of Trust, the repayment of the Senior Loan and the other Senior Loan Documents.
- G. Subordinate Lender and Borrower agree to the above-referenced subordination in favor of Senior Lender.

THEREFORE, for valuable consideration and to induce Senior Lender to make the Senior Loan, Borrower and Subordinate Lender hereby agree for the benefit of Senior Lender as follows:

1. The Senior Deed of Trust securing the Senior Note in favor of Senior Lender, and any modifications, renewals or extensions thereof, together with Senior Lender’s right to repayment of the Senior Loan and Senior Lender’s rights under any other Senior Loan Documents shall unconditionally be and at all times remain a lien or charge on the Property prior and superior to the Subordinated Loan Documents, the repayment of the Subordinate Loan and Subordinate Lender’s rights under the Subordinated Loan Documents (notwithstanding any language to the contrary contained in the County Documents) subject to the terms of this Agreement. Notwithstanding the foregoing, however, Senior Lender acknowledges and agrees that no modification or amendment of the Senior Loan Documents that has the effect of increasing the amount of principal of the Senior Loan (exclusive of protective advances, accrued and unpaid interest, fees, costs and other similar amounts due to Senior Lender pursuant to the Senior Loan Documents which would, if unpaid, be added to the principal amount), increasing the interest rate applicable under the Senior Note (except as expressly contemplated in the Senior Note), or decreasing the term of the Senior Loan, shall be effective without the prior written consent and approval of Subordinate Lender.

2. This Agreement shall be the whole agreement with regard to the subordination of the Subordinated Loan Documents, the repayment of the Subordinate Loan and Subordinate Lender's rights under the Subordinated Loan Documents as such relate specifically to the lien or charge of the Senior Deed of Trust together with Senior Lender's right to repayment of the Senior Loan and Senior Lender's rights under any other Senior Loan Documents and shall supersede and cancel, but only insofar as would affect the priority of the Senior Deed of Trust, any prior agreements as to such subordination, including, without limitation, those provisions, if any, contained in the County Documents which provide for the subordination of the Subordinate Deed of Trust or any other Subordinated Loan Documents to a deed or deeds of trust or to a mortgage or mortgages.
3. Borrower and Subordinate Lender each makes the following representations and warranties to Senior Lender:
  - a. The Subordinate Loan is evidenced by the Subordinate Loan Agreement and the Subordinate Note and is secured by the Subordinate Deed of Trust;
  - b. Subordinate Lender is not an affiliate of Borrower and is not in possession of any facts which would lead it to believe that Senior Lender is an affiliate of Borrower;
  - c. The term of each Subordinate Note does not, in either case, end before the stated term of the Senior Note;
  - d. The executed County Documents are substantially in the same forms as those submitted to, and approved by, Senior Lender prior to the date of this Agreement. Upon execution and delivery of the County Documents, Borrower shall deliver to Senior Lender an executed copy of each of the County Documents, certified to be true, correct and complete; and
  - e. Upon execution and delivery of the Senior Loan Documents, Borrower shall deliver to Subordinate Lender an executed copy of each of the Senior Loan Documents, certified to be true, correct and complete.
4. Subject to the provisions of Sections 2 and 6 hereof, Subordinate Lender and Borrower further declare, agree and acknowledge for the benefit of Senior Lender, that:
  - a. Senior Lender, in making disbursements pursuant to the Senior Loan Agreement, is under no obligation or duty to, nor has Senior Lender represented that it will, see to the application of such proceeds by the person or persons to whom Senior Lender disburses such proceeds, and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;
  - b. Subordinate Lender intentionally and unconditionally subordinates the liens of the Subordinate Deed of Trust and the other Subordinated Loan Documents against the Property to the lien or charge of the Senior Deed of Trust upon the Property and understands that in reliance upon, and in consideration of, this subordination, specific loans and advances are being and will be made by Senior Lender and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination;
  - c. Except as otherwise provided herein, Subordinate Lender consents to any agreement or arrangement in which Senior Lender waives, postpones, extends, reduces or modifies any provisions of the Senior Loan Documents, including any provision requiring the payment of

money. Notwithstanding the foregoing, however, Senior Lender acknowledges and agrees that no modification or amendment of the Senior Loan Documents that has the effect of increasing the amount of principal of the Senior Loan, increasing the interest rate applicable under the Senior Note, or decreasing the term of the Senior Loan, shall be effective without the prior written consent and approval of Subordinate Lender;

d. Borrower and Subordinate Lender each agree that, until the principal of, interest on and all other amounts payable under the Senior Loan Documents have been paid in full, it will not, without the prior written consent of Senior Lender in each instance, increase the amount of the Subordinate Loan (exclusive of protective advances, accrued and unpaid interest, fees, costs and other similar amounts due to Subordinate Lender pursuant to the Subordinate Loan Documents which would, if unpaid, be added to the principal amount), increase the required payments due under the Subordinate Loan, decrease the term of the Subordinate Loan, or increase the interest rate on the Subordinate Loan (except as expressly contemplated in the Subordinate Note), Any unauthorized amendment of the Subordinated Loan Documents or assignment of Subordinate Lender's interest in the Subordinate Loan without Senior Lender's consent shall be void ab initio and of no effect whatsoever;

e. In an Event of Default or default of Borrower under the County Documents (each, a "**Subordinate Loan Default**"), Subordinate Lender shall deliver to Senior Lender a copy of any notice of default delivered to Borrower in connection therewith (each, a "**Subordinate Loan Default Notice**"), concurrently with delivery to Borrower of the same. In such event, Senior Lender has the right, but not the obligation, to cure the noticed Subordinate Loan Default by ninety (90) days after the later of (i) expiration of any notice and cure period afforded Borrower pursuant to the County Documents or (ii) the date Senior Lender receives a copy of the notice of default (the "**Senior Lender Cure Period**"). Borrower and Subordinate Lender agree that a Subordinate Loan Default shall constitute a Senior Loan Default (as defined in Section 6(a) below) under the Senior Loan Documents and Senior Lender shall have the right to exercise all rights or remedies under the Senior Loan Documents in the same manner as in the case of any other Senior Loan Default. If Subordinate Lender notifies Senior Lender in writing that any Subordinate Loan Default of which Senior Lender has received a Senior Loan Default Notice (as defined in Section 6(a) below) has been cured or waived, as determined by Subordinate Lender in its sole discretion, then provided that Senior Lender has not conducted a sale of the Property pursuant to its rights under the Senior Loan Documents, any Senior Loan Default under the Senior Loan Documents arising solely from such Subordinate Loan Default shall be deemed cured, and the Senior Loan shall be reinstated, provided, however, that Senior Lender shall not be required to return or otherwise credit for the benefit of Borrower any default rate interest or other default related charges or payments received by Senior Lender during such Senior Loan Default;

f. Borrower agrees that, after it receives a Senior Loan Default Notice (or otherwise acquires knowledge) of a Senior Loan Default, it will not make any payments under or pursuant to the Subordinated Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorneys' fees, or any other sums secured by the Subordinated Loan Documents) without Senior Lender's prior written consent. Subordinate Lender agrees that, after it receives a Senior Loan Default Notice from Senior Lender with written instructions directing Subordinate Lender not to accept payments from Borrower on account of the Subordinate Loan, it will not accept any payments under or pursuant to the Subordinated Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorneys' fees, or any other sums secured by the Subordinated Loan Documents) without Senior Lender's prior written consent. If Subordinate Lender receives written notice from Senior Lender that the Senior Loan Default which gave rise to Subordinate Lender's

obligation not to accept payments has been cured, waived, or otherwise suspended by Senior Lender, the restrictions on payment to Subordinate Lender in this Section 4(f) shall terminate, and Senior Lender shall have no right to any subsequent payments made to Subordinate Lender by Borrower prior to Subordinate Lender's receipt of a new Senior Loan Default Notice from Senior Lender in accordance with the provisions of this Section 4(f);

g. If, after Subordinate Lender receives a Senior Loan Default Notice from Senior Lender in accordance with Section 6(a) below, Subordinate Lender receives any payments under the Subordinated Loan Documents, Subordinate Lender agrees that such payment or other distribution will be received and held in trust for Senior Lender and, unless Senior Lender otherwise notifies Subordinate Lender in writing, will be promptly remitted in kind to Senior Lender and properly endorsed to Senior Lender to be applied to the principal of, interest on and other amounts due under the Senior Loan Documents in accordance with the provisions of the Senior Loan Documents. By executing this Agreement, Borrower specifically authorizes Subordinate Lender to endorse and remit any such payments to Senior Lender, and specifically waives any and all rights to have such payments returned to Borrower or credited against the Subordinate Loan. Borrower and Senior Lender acknowledge and agree that payments received by Subordinate Lender and remitted to Senior Lender under this Section 4(g) shall not be applied or otherwise credited against the Subordinate Loan, nor shall the tender of such payment to Senior Lender waive any Event of Default or other default under the Subordinated Loan Documents which may arise from the inability of Subordinate Lender to retain such payment or apply such payment to the Subordinate Loan;

h. If a Subordinate Loan Default occurs and is continuing, Subordinate Lender agrees that, without Senior Lender's prior written consent, Subordinate Lender will not commence foreclosure proceedings with respect to the Property under the Subordinated Loan Documents or exercise any other rights or remedies it may have under the Subordinated Loan Documents, including, but not limited to, accelerating the Subordinate Loan (and enforcing any "due on sale" provision included in the Subordinated Loan Documents), collecting rents, appointing (or seeking the appointment of) a receiver or exercising any other rights or remedies thereunder unless and until it has delivered a Subordinate Loan Default Notice to Senior Lender and the Senior Lender Cure Period has expired; provided, however, that during the Senior Lender Cure Period, Subordinate Lender shall be entitled to exercise and enforce all other rights and remedies available to Subordinate Lender under the County Documents and/or under applicable laws, including without limitation, rights to (i) compute interest on all amounts due and payable under the Subordinate Loan at the default rate described in the Subordinated Loan Documents, (ii) compute prepayment premiums and late charges, (iii) enforce against any person, other than Borrower and any guarantors or indemnitors under the Subordinated Loan Documents, any guaranty of the obligations of Borrower under the Subordinate Loan, and (iv) seek specific performance to enforce covenants and agreements of Borrower relating to income, rent, or affordability restrictions contained in the Covenant Agreement.

i. To the extent that Borrower makes a payment to Senior Lender or Senior Lender receives any payment or proceeds of the collateral securing the Senior Loan for Borrower's benefit, which payment or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable doctrine, then, to the extent of such payment or proceeds received and not retained by Senior Lender, Subordinate Lender's obligations intended to be satisfied thereby and this Agreement shall be reinstated and continue in full force and effect until full and final payment shall have been made to Senior Lender. Subordinate Lender agrees to hold in trust for Senior Lender and promptly remit to Senior Lender

any payments received by Subordinate Lender after such invalidated, rescinded or returned payment was originally made.

5. Subordinate Lender hereby consents to the Senior Loan, the terms and provisions of the Senior Loan Documents and the execution and delivery by Borrower to Senior Lender of the Senior Loan Documents.
6. In consideration of Subordinate Lender's covenants and agreements contained in this Agreement, Senior Lender hereby agrees for the benefit of Subordinate Lender as follows:

- a. In the event of any default of Borrower under the Senior Loan Documents (each, a "**Senior Loan Default**"), Senior Lender shall deliver to Subordinate Lender a copy of any notice of default delivered to Borrower in connection therewith (each, a "**Senior Loan Default Notice**"), concurrently with delivery to Borrower of the same. In such event, Subordinate Lender has the right, but not the obligation, to cure the noticed default by ninety (90) days after the later of (i) expiration of any notice and cure period afforded Borrower pursuant to the Senior Loan Documents or (ii) the date Subordinate Lender receives a copy of the Senior Loan Default Notice (the "**Subordinate Lender Cure Period**"), provided that Senior Lender shall have the continuing right to record a notice of default and/or obtain a court-ordered receiver and the Subordinate Lender Cure Period shall not toll or extend the statutory cure period after Senior Lender's recordation of such a notice of default. If, however, Senior Lender elects to record a notice of default prior to expiration of the Subordinate Lender Cure Period, then Senior Lender shall not have the right to demand from Subordinate Lender any fees or costs incurred by Senior Lender in pursuing its foreclosure or judicial remedies unless Senior Lender has first obtained the written consent of Subordinate Lender to Senior Lender's action.

Notwithstanding anything to the contrary contained herein, Senior Lender further acknowledges and agrees that it shall not complete a foreclosure sale of the Property or record a deed-in-lieu of foreclosure with respect to the Property (each, a "**Foreclosure Remedy**") unless Subordinate Lender has first been given ninety (90) days written notice of the Event(s) of Default giving Subordinate Lender the right to complete such Foreclosure Remedy, and unless Subordinate Lender has failed, within such ninety (90) day period, to cure such Event(s) of Default; provided, however, that Senior Lender shall be entitled during such ninety (90) day period to continue to pursue all of its rights and remedies under the Senior Loan Documents, including, but not limited to, acceleration of the Senior Loan (subject to any de-acceleration provisions specifically set forth in the Senior Loan Documents), commencement and pursuit of a judicial or non-judicial foreclosure (but not completion of the foreclosure sale), appointment of a receiver, enforcement of any guaranty (subject to any notice and cure provisions contained therein), and/or enforcement of any other Senior Loan Document. In the event Senior Lender has accelerated the Senior Loan and Subordinate Lender cures all Events of Default giving rise to such acceleration within the ninety (90) day cure period described above, such cure shall have the effect of de-accelerating the Senior Loan; provided, however, that such de acceleration shall not waive or limit any of Senior Lender's rights to accelerate the Senior Loan or exercise any other remedies under the Senior Loan Documents as to any future or continuing Events of Default. It is the express intent of the parties hereunder that Senior Lender shall have the right to pursue all rights and remedies except completion of a Foreclosure Remedy without liability to Subordinate Lender for failure to provide timely notice to Subordinate Lender required hereunder, and that Senior Lender's liability hereunder shall be expressly limited to actual and consequential damages to Subordinate Lender directly caused by Senior Lender's completion of a Foreclosure Remedy without Subordinate Lender receiving the notice and opportunity to cure described above. Senior Lender shall give

Subordinate Lender written notice at the address set forth below or such other address as Subordinate Lender may instruct Senior Lender in writing from time to time:

County of Riverside  
3043 Tenth Street, Suite 300  
Riverside, California 92501  
Attention: Deputy Director, Housing

7. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute and be construed as one and the same instrument.
8. Special Provisions Regarding Covenant Agreement.
  - a. Notwithstanding anything to the contrary set forth in Section 10 of the Covenant Agreement, in no event shall Senior Lender (or any assignee or designee of Senior Lender that forecloses on the Property or accepts a deed in lieu of foreclosure) or any subsequent owner of the Property following a foreclosure or acceptance of a deed in lieu of foreclosure as to the Senior Loan, be liable to Subordinate Lender for amounts which are the result of an act or a failure to act which occurs prior to the date Senior Lender (or such designee or assignee) acquires title to the Property by foreclosure or deed in lieu of foreclosure, but they shall at all times continue to comply with the Subordinated Covenant Agreement Provisions of the Covenant Agreement.
9. Notices. All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when hand-delivered, or two business days after deposit in the U.S. mail, postage prepaid, to the parties at the addresses set forth below, or to such other place as a Party may from time to time designate for itself by notice to the other parties. No successor or assign of a Party shall be entitled to notices or opportunity to cure defaults hereunder unless notice of the transfer is given in accordance with this subsection.

If to Subordinate Lender: County of Riverside  
3403 Tenth Street, Suite 300  
Riverside, California 92504

If to Senior Lender: Bank of America, N.A.  
Dallas Infomart  
1950 N Stemmons Fwy, Suite 5049  
Dallas TX 75207  
TX2-160-05-33  
Attn: Construction Servicing (Real Estate) Loan  
Administration Manager

If to Borrower: Second Street Family LP  
c/o OHDC Second Street Family LLC  
414 E. Chapman Avenue  
Orange, California 92866  
Attention: Eunice Bobert

With a copy to: C&C Second Street Family LLC  
14211 Yorba Street  
Suite 200

Tustin, California 92780  
Attention: Todd Cottle

And a copy to:

Goldfarb & Lipman LLP  
1300 Clay Street, 11<sup>th</sup> Floor  
Oakland, CA 94612  
Attn: Lynn Hutchins

**NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH  
ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY  
SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED  
FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.**

**IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS AGREEMENT, THE  
PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT HERETO.**

*[Signature pages follow]*

IN WITNESS WHEREOF, Borrower, Subordinate Lender and Senior Lender have executed this Agreement as of the date appearing on the first page of this Agreement.

**BORROWER:**

**SECOND STREET FAMILY LP,**  
a California limited partnership

By: OHDC Second Street Family LLC,  
a California limited liability company,  
its managing general partner

By: Orange Housing Development Corporation,  
a California nonprofit corporation,  
its sole member and manager

By: \_\_\_\_\_  
Eunice Bobert, Chief Executive Officer

By: C&C Second Street Family LLC,  
a California limited liability company,  
its administrative general partner

By: C & C Development Co., LLC,  
a California limited liability company,  
its sole member and manager

By: \_\_\_\_\_  
Todd R. Cottle, Trustee of the 2007 Todd R.  
Cottle and Jennifer N. Cottle Revocable Trust,  
its member

**SUBORDINATE LENDER:**

**COUNTY OF RIVERSIDE,**  
a political subdivision of the State of California

By: \_\_\_\_\_  
Heidi Marshall  
Director

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**

MINH C. TRAN, County Counsel

By: \_\_\_\_\_  
Amrit P. Dhillon, Deputy County Counsel

**SENIOR LENDER:**

**BANK OF AMERICA, N.A.,**  
a national banking association

By: \_\_\_\_\_  
Omar Rahmaoui  
Vice President

**ACKNOWLEDGMENT**

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

State of Washington )  
 ) ss  
County of \_\_\_\_\_ )

On \_\_\_\_\_, 2025 before me, \_\_\_\_\_,  
a 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 Washington that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (SEAL)

**ACKNOWLEDGMENT**

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

State of California )  
 ) ss  
County of \_\_\_\_\_ )

On \_\_\_\_\_, 2025 before me, \_\_\_\_\_,  
a 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.

Signature \_\_\_\_\_

(SEAL)

**ACKNOWLEDGMENT**

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

State of California )  
 ) ss  
County of \_\_\_\_\_ )

On \_\_\_\_\_, 2025 before me, \_\_\_\_\_,  
a 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.

Signature \_\_\_\_\_

(SEAL)

**EXHIBIT A**

**DESCRIPTION OF PROPERTY**

**ACCESSOR'S PARCEL NUMBERS: 118-270-051; 118-270-053; 118-270-055**

**PARCEL "B" AS SHOWN ON LOT LINE ADJUSTMENT NO. 25-003, AS SHOWN ON DOCUMENT RECORDED \_\_\_\_\_ AS DOCUMENT NO. \_\_\_\_\_, OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:**

**THAT PORTION OF LOT 5, IN BLOCK 66 OF LANDS OF THE SOUTH RIVERSIDE LAND AND WATER COMPANY, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING PORTIONS OF CALTRANS PARCELS 22219-REM AND 22222-REM AS DESCRIBED IN GRANT DEED RECORDED NOVEMBER 8, 2019 AS INSTRUMENT NO. 2019-462265, OF OFFICIAL RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS A WHOLE AS FOLLOWS:**

**BEGINNING AT THE CENTERLINE INTERSECTION OF S BUENA VISTA AVENUE AND W 6TH STREET, AS SHOWN ON A MAP FILED IN BOOK 143, PAGES 94 THROUGH 113, INCLUSIVE OF RECORDS OF SURVEYS, RECORDS OF SAID COUNTY;**

**THENCE ALONG SAID CENTERLINE OF S BUENA VISTA AVENUE NORTH 08°02'08" EAST 1,479.22 FEET;**

**THENCE LEAVING SAID CENTERLINE, NORTH 81°57'52" WEST 30.00 FEET TO A POINT IN THE WESTERLY RIGHT-OF-WAY OF S BUENA VISTA AVENUE (60 FEET WIDE), AND THE EASTERLY LINE OF SAID LOT 5, AND THE NORTHERLY LINE OF SAID GRANT DEED, AND THE TRUE POINT OF BEGINNING;**

**THENCE, ALONG SAID NORTHERLY LINE, THE FOLLOWING SIX (6) COURSES:**

- 1) NORTH 38°05'40" WEST 22.46 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 9,968.25 FEET, A**

**RADIAL LINE FROM SAID  
BEGINNING OF CURVE BEARS  
SOUTH 05°40'54" WEST;**

- 2) WESTERLY ALONG SAID CURVE  
AN ARC LENGTH OF 28.63 FEET  
THROUGH A CENTRAL ANGLE  
OF 00°09'52";**
- 3) ALONG A LINE NON-TANGENT  
TO SAID CURVE, NORTH  
84°28'59" WEST 172.40 FEET TO  
THE BEGINNING OF A CURVE,  
CONCAVE SOUTHERLY, HAVING  
A RADIUS OF 968.02 FEET;**
- 4) WESTERLY ALONG SAID CURVE  
AN ARC LENGTH OF 365.82 FEET  
THROUGH A CENTRAL ANGLE  
OF 21°39'11" TO THE BEGINNING  
OF A COMPOUND CURVE,  
CONCAVE SOUTHERLY, HAVING  
A RADIUS OF 50.00 FEET, A  
RADIAL LINE FROM SAID  
BEGINNING OF A CURVE BEARS  
SOUTH 16°08'10" EAST;**
- 5) WESTERLY ALONG SAID CURVE  
AN ARC LENGTH OF 2.96 FEET  
THROUGH A CENTRAL ANGLE  
OF 03°23'25";**
- 6) SOUTH 70°28'25" WEST 5.40 FEET;**

**THENCE LEAVING SAID NORTHERLY LINE, SOUTH 08°03'29" WEST, 190.36 FEET TO  
THE SOUTH LINE OF THE NORTHERLY RECTANGULAR 20 FEET OF THE SOUTHERLY  
2.5 ACRES OF SAID LOT 5;**

**THENCE ALONG SAID SOUTH LINE, SOUTH 82°00'00" EAST, 578.40 FEET TO SAID  
WESTERLY RIGHT-OF-WAY LINE OF S BUENA VISTA AVENUE;**

**THENCE ALONG SAID WESTERLY RIGHT-OF-WAY AND SAID EASTERLY LINE, NORTH  
08°02'08" EAST, 270.96 FEET TO THE TRUE POINT OF BEGINNING.**

**THE ABOVE DESCRIBED PARCEL CONTAINS 3.451 ACRES, MORE OR LESS.**

**ACCESSOR'S PARCEL NUMBER: 118-302-030**

**THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:**

**THAT PORTION OF LOT 10, IN BLOCK 64 OF LANDS OF THE SOUTH RIVERSIDE LAND AND WATER COMPANY, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. BEING A PORTION OF THE LAND DESCRIBED IN THE DEED RECORDED JUNE 23, 1992 AS INSTRUMENT NO. 230917 OF OFFICIAL RECORDS OF SAID COUNTY, LYING SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:**

**BEGINNING AT THE CENTERLINE INTERSECTION OF BUENA VISTA AVENUE AND 6TH STREET, AS SHOWN ON THE RECORD OF SURVEY FILED IN BOOK 143, PAGES 94 THROUGH 113, INCLUSIVE OF RECORDS OF SURVEY, RECORDS OF SAID COUNTY; THENCE NORTH 08° 02' 08" EAST 1482.02 FEET ALONG THE CENTERLINE OF SAID BUENA VISTA AVENUE; THENCE SOUTH 81° 57' 52" EAST 30.00 FEET TO THE EASTERLY LINE OF SAID BUENA VISTA AVENUE AND THE TRUE POINT OF BEGINNING; THENCE NORTH 52° 08' 39" EAST 22.39 FEET TO A NON-TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 9968.00 FEET, A RADIAL LINE TO SAID CURVE BEARS NORTH 06° 12' 34" EAST; THENCE EASTERLY 571.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 03° 16' 56"; THENCE SOUTH 80° 30' 30" EAST 51.02 FEET; THENCE SOUTH 33° 51' 13" EAST 39.01 FEET TO A LINE THAT IS PARALLEL WITH AND 0.25 FEET WESTERLY OF THE EASTERLY LINE OF LOT 9 IN BLOCK 64 OF SOUTH RIVERSIDE LAND AND WATER COMPANY LANDS, AS SHOWN BY MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, STATE OF CALIFORNIA; THENCE SOUTH 08° 03' 40" WEST 11.86 FEET ALONG SAID PARALLEL LINE TO THE SOUTHERLY LINE OF THE NORTHERLY 100.00 FEET OF THE SOUTHERLY 198.00 FEET OF SAID LOT 9 AND THE POINT OF TERMINATION.**

**Assessor's Parcel Number: 118-270-051, 118-270-053, 118-270-055 and 118-302-030**

Prepared by, and after recording  
return to:  
Katten Muchin Rosenman LLP  
1919 Pennsylvania Ave. NW  
Suite 800  
Washington, DC 20006  
Attention: Michael P. Murphy, Esq.

**SUBORDINATION AGREEMENT**

**GOVERNMENTAL ENTITY – TEL (Immediate)**

**(Revised 2-25-2025)**

Freddie Mac Loan Number: 510886884  
Property Name: Second Street Family Apartments

**SUBORDINATION AGREEMENT  
GOVERNMENTAL ENTITY – TEL (Immediate)**

(Revised 2-25-2025)

THIS SUBORDINATION AGREEMENT (“**Agreement**”) is entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_, by and between (i) **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States of America (“**Senior Lender**”), (ii) the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California (the “**Subordinate Lender**”).

**RECITALS**

- A. Second Street Family LP, a limited partnership organized under the laws of the State of California (“**Borrower**”) is the owner of certain land located in Riverside County, California, described in Exhibit A (“**Land**”). The Land is improved with a multifamily rental housing project (“**Improvements**”).
- B. The California Municipal Finance Authority, a joint exercise of powers authority organized and existing under the laws of the State of California (“**Governmental Lender**”), the original holder of the Senior Note, has made a loan to Borrower in the original principal amount of \$[\_\_\_\_\_.00] (“**Senior Loan**”), of which \$[CONVERSION LOAN AMOUNT] is outstanding as of the date hereof and is subject to the terms and conditions of a Project Loan Agreement dated as of \_\_\_\_\_, 20\_\_ (“**Project Loan Agreement**”) among Governmental Lender, Senior Lender (in its capacity as Fiscal Agent under the Funding Loan Agreement (defined below)) and Borrower in connection with the Mortgaged Property. The Senior Loan is secured by a Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated as of the date hereof (as may be amended, restated and/or supplemented from time to time, “**Senior Mortgage**”) encumbering the Land, the Improvements and related personal and other property described and defined in the Senior Mortgage as the “**Mortgaged Property.**”
- C. Pursuant to a Loan Agreement for Second Street Family Apartments dated as of [\_\_\_\_\_, 2025] between Subordinate Lender and Borrower (“**Subordinate Loan Agreement**”), Subordinate Lender has made two loans to Borrower in the original aggregate principal amount of \$4,000,000.00 (collectively, the “**Subordinate Loan**”). The Subordinate Loan is secured by a Deed of Trust, Security Agreement and Fixture Filing (with Assignment of Rents) dated as of [\_\_\_\_\_, 2025] (“**Subordinate Mortgage**”) encumbering all or a portion of the Mortgaged Property.
- D. The Senior Mortgage is or will be recorded in the Official Records of Riverside County, California (“**Recording Office**”). The Subordinate Mortgage is recorded in the Recording Office as Document Number \_\_\_\_\_.

- E. The Senior Note was assigned by the Governmental Lender to Senior Lender as security for the Bonds (as defined in the Funding Loan Agreement) which have been converted as of the date hereof into the Governmental Note, which evidences the loan made by Funding Lender (defined below) to Governmental Lender pursuant to the Funding Loan Agreement (the “**Funding Loan**”). The Senior Mortgage was assigned by Governmental Lender to Senior Lender as security for the Funding Loan pursuant to an Assignment of Security Instrument dated as of the date hereof to be recorded in the Recording Office contemporaneously herewith.
- F. The execution and delivery of this Agreement is a condition of Funding Lender’s consenting to Subordinate Lender’s making of the Subordinate Loan and Borrower’s granting of the Subordinate Mortgage.

### **AGREEMENT**

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **Definitions.** The following terms, when used in this Agreement (including, as appropriate, when used in the above recitals), will have the following meanings.

The terms “**Condemnation,**” “**Imposition Reserve Deposits,**” “**Impositions,**” “**Leases,**” “**Rents**” and “**Restoration,**” as well as any term used in this Agreement and not otherwise defined in this Agreement, will have the meanings given to those terms in the Continuing Covenant Agreement.

“**Bankruptcy Proceeding**” means any bankruptcy, reorganization, insolvency, composition, restructuring, dissolution, liquidation, receivership, assignment for the benefit of creditors, or custodianship action or proceeding under any federal or state law with respect to Borrower, any guarantor of any of the Senior Indebtedness, any of their respective properties, or any of their respective partners, members, officers, directors, or shareholders.

“**Borrower**” means all persons or entities identified as “Borrower” in the first Recital of this Agreement, together with their successors and assigns, and any other person or entity who acquires title to the Mortgaged Property after the date of this Agreement; provided that the term “Borrower” will not include Senior Lender or Funding Lender if Senior Lender or Funding Lender acquires title to the Mortgaged Property.

“**Casualty**” means the occurrence of damage to or loss of all or any portion of the Mortgaged Property by fire or other casualty.

“**Continuing Covenant Agreement**” means the Continuing Covenant Agreement dated as of the date hereof between Funding Lender and Borrower.

**“Enforcement Action”** means any of the following actions taken by or at the direction of Subordinate Lender: the acceleration of all or any part of the Subordinate Indebtedness, the advertising of or commencement of any foreclosure or trustee’s sale proceedings, the exercise of any power of sale, the acceptance of a deed or assignment in lieu of foreclosure or sale, the collecting of Rents, the obtaining of or seeking of the appointment of a receiver, the seeking of default interest, the taking of possession or control of any of the Mortgaged Property, the commencement of any suit or other legal, administrative, or arbitration proceeding based upon the Subordinate Note or any other of the Subordinate Loan Documents, the exercising of any banker’s lien or rights of set-off or recoupment, or the exercise of any other remedial action against Borrower, any other party liable for any of the Subordinate Indebtedness or obligated under any of the Subordinate Loan Documents, or the Mortgaged Property.

**“Enforcement Action Notice”** means a Notice given from Subordinate Lender to Senior Lender and Funding Lender, following one or more Subordinate Mortgage Default(s) and the expiration of any applicable notice or cure periods, setting forth in reasonable detail the Subordinate Mortgage Default(s) and the Enforcement Actions proposed to be taken by Subordinate Lender.

**“Funding Lender”** means CPC Mortgage Company LLC, a New York limited liability company, and any successor holder of the Governmental Note.

**“Funding Loan Agreement”** means the Funding Loan Agreement dated as of \_\_\_\_\_, 20\_\_ among Funding Lender, Governmental Lender and Senior Lender.

**“Governmental Note”** means the Multifamily Housing Revenue Note (Second Street Family Apartments) 20\_\_ Series A delivered by Governmental Lender evidencing the Funding Loan.

**“Lien”** means any lien, encumbrance, estate or other interest, recorded against or secured by the Mortgaged Property.

**“Loss Proceeds”** means all monies received or to be received under any insurance policy, from any condemning authority, or from any other source, as a result of any Condemnation or Casualty.

**“Notice”** means all notices, requests, demands, consents, approvals or other communication pursuant to this Agreement provided in accordance with the provisions of Section 10.

**“Regulatory Agreement”** means the Covenant Agreement between Borrower and Subordinate Lender dated as of [\_\_\_\_\_, 2025] and recorded in the Recording Office as Document Number \_\_\_\_\_.

**“Senior Indebtedness”** means the “Indebtedness” as defined in the Continuing Covenant Agreement.

**“Senior Lender”** is defined above. When any other person or entity becomes the legal holder of the Senior Note, such other person or entity will automatically become Senior Lender.

**“Senior Loan Documents”** means the “Financing Documents” as defined in the Continuing Covenant Agreement, as such documents may be amended.

**“Senior Mortgage Default”** means any act, failure to act, event, condition, or occurrence which constitutes, or which with the giving of Notice or the passage of time, or both, would constitute, an “Event of Default” as defined in the Continuing Covenant Agreement.

**“Senior Note”** means the Project Note as defined in the Continuing Covenant Agreement.

**“Subordinate Indebtedness”** means all sums evidenced or secured or guaranteed by, or otherwise due and payable to Subordinate Lender pursuant to, the Subordinate Loan Documents.

**“Subordinate Lender”** means the person or entity named as such in the first paragraph of this Agreement and any other person or entity who becomes the legal holder of the Subordinate Note after the date of this Agreement.

**“Subordinate Loan Documents”** means the Subordinate Mortgage, the Subordinate Note, the Subordinate Loan Agreement, the Regulatory Agreement and all other documents at any time evidencing, securing, guaranteeing, or otherwise delivered in connection with the Subordinate Indebtedness, as such documents may be amended; provided, however, that the Regulatory Agreement is specifically **excluded** from the definition of Subordinate Loan Documents.

**“Subordinate Mortgage Default”** means any act, failure to act, event, condition, or occurrence which allows (but for any contrary provision of this Agreement) Subordinate Lender to take an Enforcement Action.

**“Subordinate Note”** means the promissory note or other evidence of the Subordinate Indebtedness and any replacement of the Subordinate Note.

**“Surplus Cash”** means, with respect to any period, any revenues of Borrower remaining after paying, or setting aside funds for paying, all the following:

- (a) All sums due or currently required to be paid under the Senior Loan Documents, including any reserves and Imposition Reserve Deposits.
- (b) All reasonable operating expenses of the Mortgaged Property, including real estate taxes, insurance premiums, utilities, building maintenance, painting and repairs, management fees, payroll, administrative expenses, legal expenses and audit

expenses (excluding any developer fees payable with respect to the Mortgaged Property).

## 2. Subordinate Lender's Representations and Warranties.

- (a) Subordinate Lender represents and warrants that each of the following is true as of the date of this Agreement:
  - (i) Subordinate Lender is now the owner and holder of the Subordinate Loan Documents.
  - (ii) No Subordinate Mortgage Default has occurred and is continuing.
  - (iii) The current unpaid principal balance of the Subordinate Indebtedness is \$4,000,000.00.
  - (iv) No scheduled payments under the Subordinate Note have been prepaid.
- (b) Without the prior written consent of Senior Lender, Subordinate Lender will not do any of the following:
  - (i) Pledge, assign, transfer, convey, or sell any interest in the Subordinate Indebtedness or any of the Subordinate Loan Documents.
  - (ii) Take any action which has the effect of increasing the Subordinate Indebtedness, except to cure a Senior Mortgage Default as contemplated under Section 5(a) of this Agreement.
  - (iii) Accept any prepayment of the Subordinate Indebtedness.

## 3. Terms of Subordination.

- (a) Agreement to Subordinate. The Subordinate Indebtedness is and will at all times continue to be subject and subordinate in right of payment to the prior payment in full of the Senior Indebtedness. Each of the Subordinate Loan Documents is, and will at all times remain, subject and subordinate in all respects to the liens, terms, covenants, conditions, operations, and effects of each of the Senior Loan Documents.
- (b) Subordination of Subrogation Rights. If Subordinate Lender, by indemnification, subrogation or otherwise, acquires any Lien on any of the Mortgaged Property, then that Lien will be fully subject and subordinate to the receipt by Senior Lender of payment in full of the Senior Indebtedness, and to the Senior Loan Documents, to the same extent as the Subordinate Indebtedness and the Subordinate Loan Documents are subordinate pursuant to this Agreement.

- (c) Payments Before Senior Mortgage Default; Soft Subordinate Debt. Until the occurrence of a Senior Mortgage Default, Subordinate Lender will be entitled to retain for its own account all payments of the principal of and interest on the Subordinate Indebtedness pursuant to the Subordinate Loan Documents; provided that Subordinate Lender expressly agrees that it will not accept any such payment that is made more than 10 days in advance of its due date and provided further that Subordinate Lender will not accept any payment in an amount that exceeds 75% of then available Surplus Cash.
- (d) Payments After Senior Mortgage Default or Bankruptcy.
- (i) Immediately upon Subordinate Lender's receipt of Notice or actual knowledge of a Senior Mortgage Default, Subordinate Lender will not accept any payments of the Subordinate Indebtedness, and the provisions of this Section 3(d) will apply.
- (ii) If Subordinate Lender receives any of the following, whether voluntarily or by action of law, after a Senior Mortgage Default of which Subordinate Lender has actual knowledge (or is deemed to have actual knowledge as provided in Section 4(c)) or has been given Notice, such will be received and held in trust for Senior Lender:
- (A) Any payment, property, or asset of any kind or in any form in connection with the Subordinate Indebtedness.
- (B) Any proceeds from any Enforcement Action.
- (C) Any payment, property, or asset in or in connection with any Bankruptcy Proceeding.
- (iii) Subordinate Lender will promptly remit, in kind and properly endorsed as necessary, all such payments, properties, and assets described in Section 3(d)(ii) to Senior Lender. Senior Lender will apply any payment, asset, or property so received from Subordinate Lender to the Senior Indebtedness in such order, amount (with respect to any asset or property other than immediately available funds), and manner as Senior Lender determines in its sole and absolute discretion.
- (e) Bankruptcy. Without the prior written consent of Senior Lender, Subordinate Lender will not commence, or join with any other creditor in commencing, any Bankruptcy Proceeding. In the event of a Bankruptcy Proceeding, Subordinate Lender will not vote affirmatively in favor of any plan of reorganization or liquidation unless Senior Lender has also voted affirmatively in favor of such plan.

#### 4. **Default Under Subordinate Loan Documents.**

##### (a) Notice of Subordinate Mortgage Default and Cure Rights.

- (i) Subordinate Lender will deliver to Senior Lender and Funding Lender a copy of each Notice delivered by Subordinate Lender pursuant to the Subordinate Loan Documents within 5 Business Days of sending such Notice to Borrower. Neither giving nor failing to give a Notice to Senior Lender or Funding Lender pursuant to this Section 4(a) will affect the validity of any Notice given by Subordinate Lender to Borrower.
- (ii) For a period of 90 days following delivery to Senior Lender of an Enforcement Action Notice, Senior Lender will have the right, but not the obligation, to cure any Subordinate Mortgage Default. However, if such Subordinate Mortgage Default is a non-monetary default and is not capable of being cured within such 90-day period and Senior Lender has commenced and is diligently pursuing such cure to completion, Senior Lender will have such additional period of time as may be required to cure such Subordinate Mortgage Default or until such time, if ever, as Senior Lender takes either of the following actions:
  - (A) Discontinues its pursuit of any cure.
  - (B) Delivers to Subordinate Lender Senior Lender's written consent to the Enforcement Action described in the Enforcement Action Notice.
- (iii) Senior Lender will not be subrogated to the rights of Subordinate Lender under the Subordinate Loan Documents as a result of Senior Lender having cured any Subordinate Mortgage Default.
- (iv) Subordinate Lender acknowledges that all amounts advanced or expended by Senior Lender in accordance with the Senior Loan Documents or to cure a Subordinate Mortgage Default will be added to and become a part of the Senior Indebtedness and will be secured by the lien of the Senior Mortgage.

##### (b) Subordinate Lender's Exercise of Remedies After Notice to Senior Lender.

- (i) In the event of a Subordinate Mortgage Default, Subordinate Lender will not commence any Enforcement Action until 90 days after Subordinate Lender has delivered to Senior Lender and Funding Lender an Enforcement Action Notice. During such 90-day period or such longer period as provided in Section 4(a), Subordinate Lender will be entitled to seek specific performance to enforce covenants and agreements of Borrower relating to income, rent, or affordability restrictions contained in the Regulatory

Agreement, subject to Senior Lender's right to cure a Subordinate Mortgage Default set forth in Section 4(a).

- (ii) Subordinate Lender may not commence any other Enforcement Action, including any foreclosure action under the Subordinate Loan Documents, until the earlier of:
  - (A) The expiration of such 90-day period or such longer period as provided in Section 4(a).
  - (B) The delivery by Senior Lender to Subordinate Lender of Senior Lender's written consent to such Enforcement Action by Subordinate Lender.
- (iii) Subordinate Lender acknowledges that Senior Lender may grant or refuse consent to Subordinate Lender's Enforcement Action in Senior Lender's sole and absolute discretion. At the expiration of such 90-day period or such longer period as provided in Section 4(a) and, subject to Senior Lender's right to cure set forth in Section 4(a), Subordinate Lender may commence any Enforcement Action.
- (iv) Senior Lender may pursue all rights and remedies available to it under the Senior Loan Documents, at law, or in equity, regardless of any Enforcement Action Notice or Enforcement Action by Subordinate Lender. No action or failure to act on the part of Senior Lender in the event of a Subordinate Mortgage Default or commencement of an Enforcement Action will constitute a waiver on the part of Senior Lender of any provision of the Senior Loan Documents or this Agreement.
- (c) Cross Default. Subordinate Lender acknowledges that a Subordinate Mortgage Default constitutes a Senior Mortgage Default. Accordingly, upon the occurrence of a Subordinate Mortgage Default, Subordinate Lender will be deemed to have actual knowledge of a Senior Mortgage Default. If Subordinate Lender notifies Senior Lender and Funding Lender in writing that any Subordinate Mortgage Default of which Senior Lender has received Notice has been cured or waived, as determined by Subordinate Lender in its sole discretion, then provided that Senior Lender has not conducted a sale of the Mortgaged Property pursuant to its rights under the Senior Loan Documents, any Senior Mortgage Default under the Senior Loan Documents arising solely from such Subordinate Mortgage Default will be deemed cured, and the Senior Loan will be reinstated.

## **5. Default Under Senior Loan Documents.**

- (a) Notice of Senior Mortgage Default and Cure Rights.

- (i) Senior Lender or Funding Lender will deliver to Subordinate Lender a copy of any Notice sent by Senior Lender or Funding Lender to Borrower of a Senior Mortgage Default within 5 Business Days of sending such Notice to Borrower. Failure of Senior Lender or Funding Lender to send Notice to Subordinate Lender will not prevent the exercise of Senior Lender's rights and remedies under the Senior Loan Documents.
  - (ii) Subordinate Lender will have the right, but not the obligation, to cure any monetary Senior Mortgage Default within 30 days following the date of such Notice. During such 30-day period Senior Lender will be entitled to continue to pursue its remedies under the Senior Loan Documents.
  - (iii) Subordinate Lender may, within 90 days after the date of the Notice, cure a non-monetary Senior Mortgage Default if during such 90-day period, Subordinate Lender keeps current all payments required under the Senior Loan Documents. If such a non-monetary Senior Mortgage Default creates an unacceptable level of risk relative to the Mortgaged Property, or Senior Lender's secured position relative to the Mortgaged Property, as determined by Senior Lender in its sole discretion, then during such 90-day period Senior Lender may exercise all available rights and remedies to protect and preserve the Mortgaged Property and the Rents, revenues and other proceeds from the Mortgaged Property.
  - (iv) All amounts paid by Subordinate Lender to Senior Lender to cure a Senior Mortgage Default will be deemed to have been advanced by Subordinate Lender pursuant to, and will be secured by the lien of, the Subordinate Mortgage. Notwithstanding anything in this Section 5(a) to the contrary, Subordinate Lender's right to cure any Senior Mortgage Default will terminate immediately upon the occurrence of any Bankruptcy Proceeding.
- (b) Release of Mortgaged Property.
- (i) Subordinate Lender consents to and authorizes any future release by Senior Lender of all or any portion of the Mortgaged Property from the lien, operation, and effect of the Senior Loan Documents. Subordinate Lender waives to the fullest extent permitted by law, all equitable or other rights it may have in connection with the release of all or any portion of the Mortgaged Property, including any right to require Senior Lender to do any of the following:
    - (A) To conduct a separate sale of any portion of the Mortgaged Property.
    - (B) To exhaust its remedies against all or any portion of the Mortgaged Property or any combination of portions of the Mortgaged Property or any other collateral for the Senior Indebtedness.

- (C) To proceed against Borrower, any other party that may be liable for any of the Senior Indebtedness (including any general partner of Borrower if Borrower is a partnership), all or any portion of the Mortgaged Property or combination of portions of the Mortgaged Property or any other collateral, before proceeding against all or such portions or combination of portions of the Mortgaged Property as Senior Lender determines. Subordinate Lender waives to the fullest extent permitted by law any and all benefits under California Civil Code Sections 2845, 2849 and 2850.
  - (ii) Subordinate Lender consents to and authorizes, at the option of Senior Lender, the sale, either separately or together, of all or any portion of the Mortgaged Property. Subordinate Lender acknowledges that without Notice to Subordinate Lender and without affecting any of the provisions of this Agreement, Senior Lender may do any of the following:
    - (A) Extend the time for or waive any payment or performance under the Senior Loan Documents.
    - (B) Modify or amend in any respect any provision of the Senior Loan Documents.
    - (C) Modify, exchange, surrender, release, and otherwise deal with any additional collateral for the Senior Indebtedness.
  - (c) Termination Upon Foreclosure. The lien of the Subordinate Loan Documents will automatically terminate upon the acquisition by Senior Lender or by a third-party purchaser of title to the Mortgaged Property pursuant to a foreclosure of, deed in lieu of foreclosure, or trustee's sale or other exercise of a power of sale or similar disposition under the Senior Mortgage.
6. **Conflicts.** If there is any conflict or inconsistency between the terms of the Subordinate Loan Documents and the terms of this Agreement, then the terms of this Agreement will control. Borrower acknowledges that the terms and provisions of this Agreement will not, and will not be deemed to do any of the following:
- (a) Extend Borrower's time to cure any Senior Mortgage Default or Subordinate Mortgage Default.
  - (b) Give Borrower the right to receive notice of any Senior Mortgage Default or Subordinate Mortgage Default, other than that, if any, provided, respectively under the Senior Loan Documents or the Subordinate Loan Documents.
  - (c) Create any other right or benefit for Borrower as against Senior Lender or Subordinate Lender.

**7. Rights and Obligations of Subordinate Lender Under the Subordinate Loan Documents and of Senior Lender under the Senior Loan Documents.**

(a) Insurance.

- (i) All requirements pertaining to insurance under the Subordinate Loan Documents (including requirements relating to amounts and types of coverages, deductibles and special endorsements) will be deemed satisfied if Borrower complies with the insurance requirements under the Senior Loan Documents and of Senior Lender and Funding Lender.
- (ii) All original policies of insurance required pursuant to the Senior Loan Documents will be held by Senior Lender or Funding Lender.
- (iii) Nothing in this Section 7(a) will preclude Subordinate Lender from requiring that it be named as a mortgagee and loss payee, as its interest may appear, under all policies of property damage insurance maintained by Borrower with respect to the Mortgaged Property, provided such action does not affect the priority of payment of Loss Proceeds, or that Subordinate Lender be named as an additional insured under all policies of liability insurance maintained by Borrower with respect to the Mortgaged Property.

(b) Condemnation or Casualty.

In the event of a Condemnation or a Casualty, the following provisions will apply:

- (i) The rights of Subordinate Lender (under the Subordinate Loan Documents or otherwise) to participate in any proceeding or action relating to a Condemnation or a Casualty, or to participate or join in any settlement of, or to adjust, any claims resulting from a Condemnation or a Casualty, will be and remain subordinate in all respects to Senior Lender's rights under the Senior Loan Documents, and Subordinate Lender will be bound by any settlement or adjustment of a claim resulting from a Condemnation or a Casualty made by Senior Lender.
- (ii) All Loss Proceeds will be applied either to payment of the costs and expenses of Restoration or to payment on account of the Senior Indebtedness, as and in the manner determined by Senior Lender in its sole discretion; provided however, Senior Lender agrees to consult with Subordinate Lender in determining the application of Casualty proceeds. In the event of any disagreement between Senior Lender and Subordinate Lender over the application of Casualty proceeds, the decision of Senior Lender, in its sole discretion, will prevail.
- (iii) If Senior Lender or Funding Lender holds Loss Proceeds, or monitors the disbursement of Loss Proceeds, Subordinate Lender will not do so. Nothing

contained in this Agreement will be deemed to require Senior Lender to act for or on behalf of Subordinate Lender in connection with any Restoration or to hold or monitor any Loss Proceeds in trust for or otherwise on behalf of Subordinate Lender, and all or any Loss Proceeds may be commingled with any funds of Senior Lender.

- (iv) If Senior Lender elects to apply Loss Proceeds to payment on account of the Senior Indebtedness, and if the application of such Loss Proceeds results in the payment in full of the entire Senior Indebtedness, any remaining Loss Proceeds held by Senior Lender will be paid to Subordinate Lender unless another party has asserted a claim to the remaining Loss Proceeds.
- (c) Modification of Subordinate Loan Documents. Subordinate Lender agrees that, until the principal of, interest on and all other amounts payable under the Senior Loan Documents have been paid in full, it will not, without the prior written consent of Senior Lender, increase the amount of the Subordinate Loan, increase the required payments due under the Subordinate Loan, decrease the term of the Subordinate Loan, increase the interest rate on the Subordinate Loan, or otherwise amend the Subordinate Loan terms in a manner that creates an adverse effect upon Senior Lender or Funding Lender under the Senior Loan Documents. If Subordinate Lender either (i) amends the Subordinate Loan Documents in the manner set forth above or (ii) assigns the Subordinate Loan without Senior Lender's consent, then such amendment or assignment will be void ab initio and of no effect whatsoever.
- (d) Modification of Senior Loan Documents. Senior Lender may amend, waive, postpone, extend, renew, replace, reduce or otherwise modify any provisions of the Senior Loan Documents without the necessity of obtaining the consent of or providing Notice to Subordinate Lender, and without affecting any of the provisions of this Agreement. Notwithstanding the foregoing, Senior Lender may not modify any provision of the Senior Loan Documents that increases the Senior Indebtedness, except for increases in the Senior Indebtedness that result from advances made by Senior Lender to protect the security or lien priority of Senior Lender under the Senior Loan Documents or to cure defaults under the Subordinate Loan Documents.
- (e) Commercial or Retail Leases. If requested, Subordinate Lender will enter into attornment and non-disturbance agreements with all tenants under commercial or retail Leases, if any, to whom Senior Lender has granted attornment and non-disturbance, on the same terms and conditions given by Senior Lender.
- (f) Consent Rights. Whenever the Subordinate Loan Documents give Subordinate Lender approval or consent rights with respect to any matter, and a right of approval or consent for the same or substantially the same matter is also granted to Senior Lender or Funding Lender pursuant to the Senior Loan Documents or otherwise, Senior Lender's or Funding Lender's approval or consent or failure to approve or consent will be binding on Subordinate Lender. None of the other provisions of

Section 7 are intended to be in any way in limitation of the provisions of this Section 7(f).

- (g) **Escrows.** Except as provided in this Section 7(g), and regardless of any contrary provision in the Subordinate Loan Documents, Subordinate Lender will not collect any escrows for any cost or expense related to the Mortgaged Property or for any portion of the Subordinate Indebtedness. However, if Senior Lender or Funding Lender is not collecting escrow payments for one or more Impositions, Subordinate Lender may collect escrow payments for such Impositions; provided that all payments so collected by Subordinate Lender will be held in trust by Subordinate Lender to be applied only to the payment of such Impositions.
- (h) **Certification.** Within 10 days after request by Senior Lender or Funding Lender, Subordinate Lender will furnish Senior Lender and Funding Lender with a statement, duly acknowledged and certified setting forth the then-current amount and terms of the Subordinate Indebtedness, confirming that there exists no default under the Subordinate Loan Documents (or describing any default that does exist), and certifying to such other information with respect to the Subordinate Indebtedness as Senior Lender may request.

**8. Refinancing.** Subordinate Lender agrees that its agreement to subordinate under this Agreement will extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior Indebtedness (including reasonable and necessary costs associated with the closing and/or the refinancing, and any reasonable increase in proceeds for rehabilitation in the context of a preservation transaction). All terms and covenants of this Agreement will inure to the benefit of any holder of any such refinanced debt, and all references to the Senior Loan Documents and Senior Lender will mean, respectively, the refinance loan documents and the holder of such refinanced debt.

**9. Governmental Powers.** Nothing in this Agreement is intended, nor will it be construed, to in any way limit the exercise by Subordinate Lender of its governmental powers (including police, regulatory and taxing powers) with respect to Borrower or the Mortgaged Property to the same extent as if it were not a party to this Agreement or the transactions contemplated by this Agreement.

**10. Notices.**

- (a) Any Notice required or permitted to be given pursuant to this Agreement will be in writing and will be deemed to have been duly and sufficiently given if (i) personally delivered with proof of delivery (any Notice so delivered will be deemed to have been received at the time so delivered), or (ii) sent by a national overnight courier service (such as FedEx) designating earliest available delivery (any Notice so delivered will be deemed to have been received on the next Business Day following receipt by the courier), or (iii) sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post office regularly maintained by the United States Postal Service (any Notice so sent will be deemed to have been

received on the date of delivery as confirmed by the return receipt), addressed to the respective parties as follows:

Notices intended for Senior Lender will be addressed to:

U.S. Bank Trust Company, National Association  
633 W. 5th Street, 24th Floor  
Los Angeles, California 90071  
Attention: Global Corporate Trust  
Facsimile: (213) 615-6199

Notices intended for Subordinate Lender will be addressed to:

County of Riverside  
Housing and Workforce Solutions  
3403 10th Street, Suite 300  
Riverside, CA 92501  
Attn: Director HWS

Notices intended for Funding Lender will be addressed to:

CPC Mortgage Company LLC  
220 East 42nd Street, 16th Floor  
New York, New York 10017  
Attention: Servicing Department

*With a copy to:*

Federal Home Loan Mortgage Corporation  
8100 Jones Branch Drive  
McLean, Virginia 22102  
Attention: Multifamily Operations - Loan Accounting  
Email: mfla@freddiemac.com  
Telephone: (703) 714-4177

*And:*

Federal Home Loan Mortgage Corporation  
8200 Jones Branch Drive  
McLean, Virginia 22102  
Attention: Managing Associate General Counsel –  
Multifamily Legal Division  
Email: jennifer\_davila@freddiemac.com  
Telephone: (703) 903 2000

- (b) Any party, by Notice given pursuant to this Section 10, may change the person or persons and/or address or addresses, or designate an additional person or persons or an additional address or addresses, for its Notices, but Notice of a change of address will only be effective upon receipt. Neither party will refuse or reject delivery of any Notice given in accordance with this Section 10.

**11. Reserved**

**12. Miscellaneous Provisions.**

- (a) Assignments/Successors. This Agreement will be binding upon and will inure to the benefit of the respective legal successors and permitted assigns of the parties to this Agreement. Without prior notice to or the consent of the Subordinate Lender or the Borrower, the Senior Lender may freely transfer or assign the Senior Loan and the Senior Loan Documents, including this Agreement, in whole or in part, and the Subordinate Lender acknowledges and agrees that any future legal holder of the Senior Note will automatically be a legal successor and permitted assignee of Senior Lender hereunder, without the necessity of any further action or instrument. Except for Funding Lender, no other party will be entitled to any benefits under this Agreement, whether as a third-party beneficiary or otherwise.
- (b) No Partnership or Joint Venture. Nothing in this Agreement or in any of the Senior Loan Documents or Subordinate Loan Documents will be deemed to constitute Senior Lender or Funding Lender as a joint venturer or partner of Subordinate Lender.
- (c) Further Assurances. Upon Notice from Senior Lender or Funding Lender, Subordinate Lender will execute and deliver such additional instruments and documents, and will take such actions, as are required by Senior Lender or Funding Lender to further evidence or implement the provisions and intent of this Agreement.
- (d) Amendment. This Agreement may be amended, changed, modified, altered or terminated only by a written instrument signed by the parties to this Agreement or their successors or assigns.
- (e) Governing Law. This Agreement will be governed by the laws of the State in which the Land is located.
- (f) Severable Provisions. If any one or more of the provisions contained in this Agreement, or any application of any such provisions, is invalid, illegal, or unenforceable in any respect, the validity, legality, enforceability, and application of the remaining provisions contained in this Agreement will not in any way be affected or impaired.

- (g) Term. The term of this Agreement will commence on the date of this Agreement and will continue until the earliest to occur of the following events:
- (i) The payment of all the Senior Indebtedness; provided that this Agreement will be reinstated in the event any payment on account of the Senior Indebtedness is avoided, set aside, rescinded or repaid by Senior Lender or Funding Lender.
  - (ii) The payment of all the Subordinate Indebtedness other than by reason of payments which Subordinate Lender is obligated to remit to Senior Lender pursuant to this Agreement.
  - (iii) The acquisition by Senior Lender or by a third-party purchaser of title to the Mortgaged Property pursuant to a foreclosure of, deed in lieu of foreclosure, or trustee's sale or other exercise of a power of sale or similar disposition under the Senior Mortgage.
  - (iv) With the prior written consent of Senior Lender, without limiting the provisions of Section 4(b)(iv), the acquisition by Subordinate Lender of title to the Mortgaged Property subject to the Senior Mortgage pursuant to a foreclosure, or a deed in lieu of foreclosure, of (or the exercise of a power of sale under) the Subordinate Mortgage.
- (h) Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.
- (i) Entire Agreement. This Agreement represents the entire understanding and agreement between the parties regarding the matters addressed in this Agreement, and will supersede and cancel any prior agreements regarding such matters.
- (j) Authority. Each person executing this Agreement on behalf of a party to this Agreement represents and warrants that such person is duly and validly authorized to do so on behalf of such party with full right and authority to execute this Agreement and to bind such party with respect to all of its obligations under this Agreement.
- (k) No Waiver. No failure or delay on the part of any party to this Agreement in exercising any right, power, or remedy under this Agreement will operate as a waiver of such right, power, or remedy, nor will any single or partial exercise of any such right, power or remedy preclude any other or further exercise of such right, power, or remedy or the exercise of any other right, power or remedy under this Agreement.
- (l) Remedies. Each party to this Agreement acknowledges that if any party fails to comply with its obligations under this Agreement, the other parties will have all

rights available at law and in equity, including the right to obtain specific performance of the obligations of such defaulting party and injunctive relief.

- (m) Funding Lender's Rights to Control. Notwithstanding anything herein to the contrary, pursuant to Section 17(c) of the Senior Mortgage and Section 6.03 of the Funding Loan Agreement, all acts, consents, approvals and undertakings of Senior Lender hereunder must be solely at the written direction of Funding Lender. The parties hereto acknowledge and agree that Funding Lender is a third-party beneficiary of this Agreement, with full rights as such.

13. **Attached Riders.** The following Riders are attached to this Agreement:

Attached Rider(s)	Date Revised
Regulatory Agreement Primes Mortgage	08-28-2024

14. **Attached Exhibits.** The following Exhibits, if marked with an "X" in the space provided, are attached to this Agreement:

- Exhibit A Description of the Land (required)
- Exhibit B Ground Lease Description (if applicable)

**[SIGNATURE AND ACKNOWLEDGMENT PAGES FOLLOW]**

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

**SENIOR LENDER:**

**U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION**, a national  
banking association

By: \_\_\_\_\_  
Name:  
Title:

[ACKNOWLEDGMENT FOLLOWS ON NEXT PAGE]

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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, \_\_\_\_\_  
Date Here Insert Name and Title of the Officer

personally appeared \_\_\_\_\_  
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_  
Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_  
Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

**SUBORDINATE LENDER:**

**COUNTY OF RIVERSIDE**, a political  
subdivision of the State of California

By: \_\_\_\_\_  
Name: Juan Garcia  
Title: Deputy Director, HWS

[ACKNOWLEDGMENT FOLLOWS ON NEXT PAGE]

FORM APPROVED COUNTY COUNSEL  
BY:  AMRIT P. DHILLON  
DATE: 9/17/2025

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_  
*Date Here Insert Name and Title of the Officer*

personally appeared \_\_\_\_\_  
*Name(s) of Signer(s)*

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_  
*Signature of Notary Public*

*Place Notary Seal Above*

**OPTIONAL**

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Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

**CONSENT OF BORROWER**

Borrower acknowledges receipt of a copy of this Subordination Agreement, dated \_\_\_\_\_, 20\_\_, by and between U.S. Bank Trust Company, National Association and the County of Riverside and consents to the agreement of the parties set forth in this Agreement.

**BORROWER:**

**SECOND STREET FAMILY LP**, a California limited partnership

By: OHDC Second Street Family LLC,  
a California limited liability company,  
its managing general partner

By: Orange Housing Development Corporation,  
a California nonprofit corporation,  
its sole member and manager

By: \_\_\_\_\_  
Eunice Bobert, Chief Executive Officer

By: C&C Second Street Family LLC,  
a California limited liability company,  
its developer general partner

By: C & C Development Co., LLC,  
a California limited liability company,  
its sole member and manager

By: \_\_\_\_\_  
Todd R. Cottle, Trustee of the 2007 Todd R.  
Cottle and Jennifer N. Cottle Revocable Trust.  
its member

[ACKNOWLEDGMENTS FOLLOW ON NEXT PAGE]

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_  
*Date Here Insert Name and Title of the Officer*

personally appeared \_\_\_\_\_ Eunice Bobert \_\_\_\_\_  
*Name(s) of Signer(s)*

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_  
*Signature of Notary Public*

*Place Notary Seal Above*

**OPTIONAL**

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Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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, \_\_\_\_\_,  
Date Here Insert Name and Title of the Officer

personally appeared \_\_\_\_\_  
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

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Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

## RIDER TO SUBORDINATION AGREEMENT – GOVERNMENTAL ENTITY

### REGULATORY AGREEMENT PRIMES MORTGAGE

(Revised 8-28-2024)

The following changes are made to the Agreement which precedes this Rider:

A. Section 1 is modified as follows:

(A) The definition of Subordinate Loan Documents is modified to add the following:

**“Subordinate Loan Documents”** means the Subordinate Mortgage, the Subordinate Note, the Subordinate Loan Agreement and all other documents at any time evidencing, securing, guaranteeing, or otherwise delivered in connection with the Subordinate Indebtedness, as such documents may be amended; provided, however, that the Regulatory Agreement is specifically **excluded** from the definition of Subordinate Loan Documents.

(B) The following definitions are added:

**“First Transfer”** has the meaning set forth in Section 11 of this Agreement.

**“Foreclosure Action”** has the meaning set forth in Section 11 of this Agreement.

**“Regulatory Agreement Default”** means any act, failure to act, event, condition, or occurrence which (but for any contrary provision of this Agreement) is a default under the Regulatory Agreement, which continues beyond the giving of notice and expiration of any applicable cure period as provided in the Regulatory Agreement.

**“Regulatory Agreement Enforcement Action”** means the exercise of any rights or remedies under the Regulatory Agreement following a Regulatory Agreement Default.

**“Regulatory Agreement Enforcement Action Notice”** means a Notice given from Subordinate Lender to Senior Lender following one or more Regulatory Agreement Default(s), setting forth in reasonable detail the Regulatory Agreement Default(s) and the Regulatory Agreement Enforcement Actions proposed to be taken by Subordinate Lender.

B. Section 11 is deleted and replaced with the following:

#### 11. Regulatory Agreement.

(a) Representations and Warranties.

- (i) Subordinate Lender represents and warrants that each of the following is true with respect to the Regulatory Agreement as of the date of this Agreement:
    - (A) Subordinate Lender is the owner and holder of the Regulatory Agreement.
    - (B) No Regulatory Agreement Default has occurred and is continuing.
  - (ii) Without the prior written consent of Senior Lender, Subordinate Lender will not do any of the following:
    - (A) Pledge, assign, transfer, convey, or sell any interest in the Regulatory Agreement.
    - (B) Amend the Regulatory Agreement in any manner.
- (b) Agreement to Subordinate.
- (i) Subject to Section 3(b) hereof, the Senior Indebtedness is and will at all times continue to be subject and subordinate in priority to the Regulatory Agreement. Each of the Senior Loan Documents is, and will at all times remain, subject and subordinate in all respects to the lien of the Regulatory Agreement. Therefore, following a foreclosure under the Senior Mortgage, or the acceptance by Senior Lender of a deed to the Mortgaged Property in lieu of such a foreclosure (each, a "**Foreclosure Action**"), the Regulatory Agreement will survive and the successor owner of the Mortgaged Property will acquire the Mortgaged Property subject to the Regulatory Agreement, except that, notwithstanding anything to the contrary set forth in the Regulatory Agreement:
    - (A) Senior Lender (or its nominee) will have the right, without further consent of Subordinate Lender, to commence a Foreclosure Action and transfer (or cause the transfer of) the Mortgaged Property pursuant a Foreclosure Action and, following such Foreclosure Action, in the event Senior Lender (or its nominee) acquires title to the Mortgaged Property, transfer the Mortgaged Property to any third-party (the "**First Transfer**").
    - (B) No limitation on creation of indebtedness or creation of any lien securing indebtedness will apply to any third-party acquiring title to the Mortgaged Property in connection with a Foreclosure Action or the First Transfer.

- (C) Any remedies in the Regulatory Agreement, other than specific performance or injunctive relief, will terminate after the Foreclosure Action.
- (ii) Subordinate Lender agrees that:
    - (A) Subordinate Lender will look to Senior Lender (or its nominee) and any third-party acquiring title to the Mortgaged Property in connection with a Foreclosure Action or the First Transfer to perform the obligations of owner of the Mortgaged Property accruing only from and after the date of foreclosure or possession. Subordinate Lender will not hold Senior Lender (or its nominee) or any third-party acquiring title to the Mortgaged Property in connection with a Foreclosure Action or the First Transfer responsible for the past actions or inactions of Borrower or any prior owner of the Mortgaged Property.
    - (B) Neither Senior Lender nor any third-party acquiring title to the Mortgaged Property in connection with a Foreclosure Action or the First Transfer will be obligated to pay, or otherwise have any liability for or in connection with, (1) any rents or other payments received by Borrower prior to foreclosure in excess of what Borrower is permitted to charge and receive under the Regulatory Agreement or (2) any claim by Subordinate Lender for liquidated damages, for indemnification or for damages in connection with any breach of any term or provision of the Regulatory Agreement first occurring prior to the date upon which Senior Lender or such third-party acquired title to the Mortgaged Property.
- (c) Notice of Regulatory Agreement Default and Cure Rights.
    - (i) Subordinate Lender will deliver to Senior Lender a copy of each Notice of a Regulatory Agreement Default delivered by Subordinate Lender pursuant to the Regulatory Agreement within 5 Business Days of sending such Notice to Borrower. Neither giving nor failing to give a Notice to Senior Lender pursuant to this Section 11(c) will affect the validity of any Notice given by Subordinate Lender to Borrower.
    - (ii) Senior Lender will have the right, but not the obligation, to cure any Regulatory Agreement Default, until such time, if ever, as Senior Lender delivers to Subordinate Lender written consent to proceed

with the Regulatory Agreement Enforcement Action described in the Regulatory Agreement Enforcement Action Notice.

- (iii) Subordinate Lender acknowledges that all amounts advanced or expended by Senior Lender in accordance with the Senior Loan Documents or to cure a Regulatory Agreement Default will be added to and become a part of the Senior Indebtedness and will be secured by the lien of the Senior Mortgage.
- (d) Exercise of Remedies following Notice of Regulatory Agreement Enforcement Action.
  - (i) Subordinate Lender will not commence any Regulatory Agreement Enforcement Action until:
    - (A) Subordinate Lender has delivered to Senior Lender a Regulatory Agreement Enforcement Action Notice with respect to such Regulatory Agreement Enforcement Action.
    - (B) The delivery by Senior Lender to Subordinate Lender of Senior Lender's written consent to such Regulatory Agreement Enforcement Action by Subordinate Lender; provided that, following delivery to Senior Lender of a Regulatory Agreement Enforcement Action Notice, Subordinate Lender will be entitled to seek specific performance to enforce covenants and agreements of Borrower relating to income, rent, or affordability restrictions contained in the Regulatory Agreement, subject to Senior Lender's right to cure a Regulatory Agreement Default set forth in Section 11(c).
  - (ii) Senior Lender will advise Subordinate Lender whether Senior Lender consents to the Regulatory Agreement Enforcement Action by Subordinate Lender within 90 days following Senior Lender's receipt of the Regulatory Agreement Enforcement Action Notice. Failure of Senior Lender to provide written consent to the Regulatory Agreement Enforcement Action within such 90-day period constitutes Senior Lender's refusal of such consent. Subordinate Lender acknowledges that Senior Lender may grant or refuse consent to Subordinate Lender's Regulatory Agreement Enforcement Action in Senior Lender's sole and absolute discretion.
  - (iii) Notwithstanding the forgoing, at all times following delivery to Senior Lender of a Regulatory Agreement Enforcement Action Notice, Subordinate Lender may exercise only the remedies of specific performance or injunctive relief subject to Senior Lender's

right to cure a Regulatory Agreement Default set forth in this Section 11(d).

(iv) Senior Lender may pursue all rights and remedies available to it under the Senior Loan Documents, at law, or in equity, regardless of any Regulatory Agreement Enforcement Action Notice or Regulatory Agreement Enforcement Action by Subordinate Lender. No action or failure to act on the part of Senior Lender in the event of a Regulatory Agreement Default or commencement of any enforcement action with respect to such a default will constitute a waiver on the part of Senior Lender of any provision of the Senior Loan Documents or this Agreement.

(e) Operating Covenants. With respect to the operating covenants under the Regulatory Agreement, if any, Subordinate Lender acknowledges and agrees as follows:

(i) Subordinate Lender will not require the removal of the property manager for the Mortgaged Property or changes to the management plan or management agreement in respect of the Mortgaged Property under the Regulatory Agreement, without the prior written consent of the Senior Lender; and such provisions of the Regulatory Agreement will be suspended at any time that a Senior Mortgage Default shall be continuing or at any time that the Senior Lender becomes or is the owner of the Mortgaged Property; and

(ii) that:

(A) reserve requirements imposed by the Regulatory Agreement, if any, will be deferred so long as adequate deposits to the same or similar reserves required by the Senior Loan Documents are made by Borrower;

(B) insurance requirements imposed by the Regulatory Agreement, if any, will be deemed satisfied if Borrower complies with the insurance requirements under the Senior Loan Documents and of Senior Lender and all Loss Proceeds will be paid to Senior Lender and applied in accordance with Section 7(b) of this Agreement; and

(C) Subordinate Lender will have no claim to or security interest in reserve funds or accounts as required under the Senior Loan Documents, which will be owned and controlled as set forth in the Senior Loan Documents; provided however that this section will not be construed to allow Borrower or its partners or members, as applicable, to distribute any amount

remaining in such reserve funds or accounts as part of a sale or refinancing transaction prior to the expiration of the Regulatory Agreement.

- (f) Written Statement. Within 30 days after a written request by Senior Lender, Subordinate Lender will furnish Senior Lender with a statement confirming that no Regulatory Agreement Default exists (or describing any default that does exist).
  
- (g) Cross Default. Borrower and Subordinate Lender acknowledge that a Regulatory Agreement Default constitutes a Senior Mortgage Default. Accordingly, upon the occurrence of a Regulatory Agreement Default, Subordinate Lender will be deemed to have actual knowledge of a Senior Mortgage Default. If Subordinate Lender notifies Senior Lender in writing that a Regulatory Agreement Default of which Senior Lender has received Notice has been cured or waived, then provided that Senior Lender has not conducted a sale of the Mortgaged Property pursuant to its rights under the Senior Loan Documents, any Senior Mortgage Default under the Senior Loan Documents arising solely from such Subordinate Mortgage Default will be deemed cured, and the Senior Loan will be reinstated.

**EXHIBIT A**

**LEGAL DESCRIPTION**

**ACCESSOR'S PARCEL NUMBERS: 118-270-051; 118-270-053; 118-270-055**

PARCEL "B" AS SHOWN ON LOT LINE ADJUSTMENT NO. 25-003, AS SHOWN ON DOCUMENT RECORDED \_\_\_\_\_ AS DOCUMENT NO. \_\_\_\_\_, OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT 5, IN BLOCK 66 OF LANDS OF THE SOUTH RIVERSIDE LAND AND WATER COMPANY, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING PORTIONS OF CALTRANS PARCELS 22219-REM AND 22222-REM AS DESCRIBED IN GRANT DEED RECORDED NOVEMBER 8, 2019 AS INSTRUMENT NO. 2019-462265, OF OFFICIAL RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS A WHOLE AS FOLLOWS:

**BEGINNING** AT THE CENTERLINE INTERSECTION OF S BUENA VISTA AVENUE AND W 6TH STREET, AS SHOWN ON A MAP FILED IN BOOK 143, PAGES 94 THROUGH 113, INCLUSIVE OF RECORDS OF SURVEYS, RECORDS OF SAID COUNTY;

THENCE ALONG SAID CENTERLINE OF S BUENA VISTA AVENUE NORTH 08°02'08" EAST 1,479.22 FEET;

THENCE LEAVING SAID CENTERLINE, NORTH 81°57'52" WEST 30.00 FEET TO A POINT IN THE WESTERLY RIGHT-OF-WAY OF S BUENA VISTA AVENUE (60 FEET WIDE), AND THE EASTERLY LINE OF SAID LOT 5, AND THE NORTHERLY LINE OF SAID GRANT DEED, AND THE **TRUE POINT OF BEGINNING**;

THENCE, ALONG SAID NORTHERLY LINE, THE FOLLOWING SIX (6) COURSES:

- 1) NORTH 38°05'40" WEST 22.46 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 9,968.25 FEET, A RADIAL LINE FROM SAID BEGINNING OF CURVE BEARS SOUTH 05°40'54" WEST;
- 2) WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 28.63 FEET THROUGH A CENTRAL ANGLE OF 00°09'52";
- 3) ALONG A LINE NON-TANGENT TO SAID CURVE, NORTH 84°28'59" WEST 172.40 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 968.02 FEET;
- 4) WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 365.82 FEET THROUGH A CENTRAL ANGLE OF 21°39'11" TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 50.00 FEET, A RADIAL LINE FROM SAID BEGINNING OF A CURVE BEARS SOUTH 16°08'10" EAST;
- 5) WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 2.96 FEET THROUGH A CENTRAL ANGLE OF 03°23'25";
- 6) SOUTH 70°28'25" WEST 5.40 FEET;

THENCE LEAVING SAID NORTHERLY LINE, SOUTH 08°03'29" WEST, 190.36 FEET TO THE SOUTH LINE OF THE NORTHERLY RECTANGULAR 20 FEET OF THE SOUTHERLY 2.5 ACRES OF SAID LOT 5;

THENCE ALONG SAID SOUTH LINE, SOUTH 82°00'00" EAST, 578.40 FEET TO SAID WESTERLY RIGHT-OF-WAY LINE OF S BUENA VISTA AVENUE;

THENCE ALONG SAID WESTERLY RIGHT-OF-WAY AND SAID EASTERLY LINE, NORTH 08°02'08" EAST, 270.96 FEET TO THE **TRUE POINT OF BEGINNING**.

THE ABOVE DESCRIBED PARCEL CONTAINS 3.451 ACRES, MORE OR LESS.

**ACCESSOR'S PARCEL NUMBER: 118-302-030**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT 10, IN BLOCK 64 OF LANDS OF THE SOUTH RIVERSIDE LAND AND WATER COMPANY, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. BEING A PORTION OF THE LAND DESCRIBED IN THE DEED RECORDED JUNE 23, 1992 AS INSTRUMENT NO. 230917 OF OFFICIAL RECORDS OF SAID COUNTY, LYING SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE CENTERLINE INTERSECTION OF BUENA VISTA AVENUE AND 6TH STREET, AS SHOWN ON THE RECORD OF SURVEY FILED IN BOOK 143, PAGES 94 THROUGH 113, INCLUSIVE OF RECORDS OF SURVEY, RECORDS OF SAID COUNTY; THENCE NORTH 08° 02' 08" EAST 1482.02 FEET ALONG THE CENTERLINE OF SAID BUENA VISTA AVENUE; THENCE SOUTH 81° 57' 52" EAST 30.00 FEET TO THE EASTERLY LINE OF SAID BUENA VISTA AVENUE AND THE TRUE POINT OF BEGINNING; THENCE NORTH 52° 08' 39" EAST 22.39 FEET TO A NON-TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 9968.00 FEET, A RADIAL LINE TO SAID CURVE BEARS NORTH 06° 12' 34" EAST; THENCE EASTERLY 571.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 03° 16' 56"; THENCE SOUTH 80° 30' 30" EAST 51.02 FEET; THENCE SOUTH 33° 51' 13" EAST 39.01 FEET TO A LINE THAT IS PARALLEL WITH AND 0.25 FEET WESTERLY OF THE EASTERLY LINE OF LOT 9 IN BLOCK 64 OF SOUTH RIVERSIDE LAND AND WATER COMPANY LANDS, AS SHOWN BY MAP RECORDED IN BOOK 9, PAGE 6 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, STATE OF CALIFORNIA; THENCE SOUTH 08° 03' 40" WEST 11.86 FEET ALONG SAID PARALLEL LINE TO THE SOUTHERLY LINE OF THE NORTHERLY 100.00 FEET OF THE SOUTHERLY 198.00 FEET OF SAID LOT 9 AND THE POINT OF TERMINATION.

Assessor's Parcel Number: **118-270-051, 118-270-053, 118-270-055 and 118-302-030**