

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



**ITEM: 3.16
(ID # 29902)**

MEETING DATE:
Tuesday, April 14, 2026

FROM : HOUSING AND WORKFORCE SOLUTIONS

SUBJECT: HOUSING AND WORKFORCE SOLUTIONS (HWS): Approve the Form of the Assignment and Assumption Agreement between County of Riverside, National Community Renaissance of California as Assignor, and NCRC CDR LLC as Assignee, to Assume All Rights and Obligations under the Loan Agreement for the Use of American Rescue Plan Act (ARPA) Funds for Permanent Financing of the Completed Corona Del Rey Apartments in the City of Corona; and Authorize the Director of HWS to Execute the Forms of Assignment and Assumption Agreement, the First Amendment to Loan Agreement for the Use of ARPA Funds, Amended and Restated Promissory Note, and Subordination Agreement for the benefit of JPMorgan Chase Bank, National Association, Subordinating the County's ARPA Loan Agreement and Deed of Trust, Security Agreement and Fixture Filing with Assignment of Rents to JPMorgan Chase Bank's Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing Securing a Permanent Loan for Corona Del Rey Apartments; District 2. [\$0] (No Further Actions Required Pursuant to CEQA)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the form of the Assignment and Assumption Agreement between County of Riverside, National Community Renaissance of California as Assignor, and NCRC CDR LLC as Assignee, to assume all rights and obligations under the Loan Agreement for the Use of American Rescue Plan Act (ARPA) Funds for permanent financing for the completed Corona Del Rey Apartments in the City of Corona;

Continued on Page 2


ACTION:Policy


Heidi Marshall, Director 3/12/2026

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, 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: April 14, 2026
xc: HWS

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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RECOMMENDED MOTION: That the Board of Supervisors:

2. Approve the attached forms of the First Amendment to Loan Agreement for the Use of ARPA Funds and Amended and Restated Promissory Note;
3. Approve the form of the Subordination Agreement for the benefit of JPMorgan Chase Bank, N.A., subordinating the County's Loan Agreement for the Use of American Rescue Plan Act (ARPA) Funds and Deed of Trust, Security Agreement and Fixture Filing with Assignment of Rents to JPMorgan Chase Bank's Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing Securing a permanent loan for the Corona Del Rey Apartments for an amount not to exceed \$13 million, approved as to form by County Counsel;
4. Authorize the Director of HWS to Execute the Assignment and Assumption Agreement, First Amendment to Loan Agreement for the Use of ARPA Funds, Amended and Restated Promissory Note, and Subordination Agreement, substantially conforming in form and substance to the attached, subject to approval as to form by County Counsel; and
5. Authorize the Director of HWS, or designee, to take all necessary actions to implement the Assignment and Assumption Agreement, First Amendment to Loan Agreement for the Use of ARPA Funds, Amended and Restated Promissory Note, and Subordination Agreement, including but not limited to executing any subsequent necessary and related documents, subject to approval as to form by County Counsel.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	25/26

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On June 27, 2023 (Minute Order 3.49), the Board of Supervisors approved a loan of \$5,000,000 in American Rescue Plan Act (ARPA) funds to National Community Renaissance of California, a California nonprofit public benefit corporation (Developer), to pay a portion of rehabilitation and construction costs for the Corona Del Rey Apartments, an existing 160-unit affordable housing complex for low-income families located in the City of Corona (Project). Rehabilitation and construction of the Project was completed on April 2, 2025, for a total development cost of \$28,625,000.

Subsequent to the completion of rehabilitation and construction of the Project, Developer has formed NCRC CDR LLC, a California limited liability company, for the purpose of owning and operating the Project and has requested assignment from Developer to NCRC CDR LLC to

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STATE OF CALIFORNIA**

assume all rights, title, interest in, and obligations under the American Rescue Plan Act (ARPA) Loan Agreement dated October 2, 2023.

Developer has selected JPMORGAN CHASE BANK, N.A., a national banking association, to provide permanent financing for the Project in a principal amount not to exceed \$13 million. The Permanent Loan will be used to repay approximately \$11.3 million in construction loans, a County of Riverside HOME Loan in the amount of \$40,000, and financing and closing costs.

In order to facilitate the permanent financing, the County's ARPA loan documents require amendments to reflect the borrower substitution and changes to residual receipt terms, including approval of a First Amendment to the Loan Agreement for the use of the American Rescue Plan Act (ARPA) Funds, and Amended and Restated ARPA Promissory Note.

To allow the Project to secure permanent financing, staff recommends approval of a Subordination Agreement for the benefit of JPMorgan Chase Bank, N.A. (Senior Lender), subordinating the County's Loan Agreement for the Use of American Rescue Plan Act (ARPA) Funds and Deed of Trust, Security Agreement and Fixture Filing with Assignment of Rents to Senior Lender's Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing Securing a Permanent Loan for the Corona Del Rey Apartments for an amount not to exceed \$13 million.

County Counsel has reviewed and approved as to form the attached Assignment and Assumption Agreement, Subordination Agreement, First Amendment to Loan Agreement for the Use of the ARPA Funds and Amended and Restated Promissory Note.

Staff recommends that the Board approve the attached Assignment and Assumption Agreement, Subordination Agreement, First Amendment to Loan Agreement for the Use of the ARPA Funds, and Amended and Restated Promissory Note and authorize the Director of Housing Workforce Solutions (HWS), or designee, to execute the Assignment and Assumption Agreement, First Amendment to Loan Agreement for the Use of ARPA Funds, Amended and Restated Promissory Note, and Subordination Agreement.

Impact on Residents and Businesses

The completed rehabilitation of the Corona Del Rey Apartments continues to benefit residents and businesses by providing much-needed affordable housing and property management jobs in the City of Corona.

Additional Fiscal Information

There is no impact on the County's General Fund. The County's contribution to the Project was fully funded through ARPA funds which was previously approved by the Board on June 27, 2023 (Minute Order 3.49).

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ATTACHMENT:

- Form of Assignment and Assumption Agreement
- Form of First Amendment to Loan Agreement for the Use of ARPA Program Funds, including Form of Amended and Restated Promissory Note
- Form of Subordination Agreement


Stacey Pena, EO Management Analyst 4/7/2026


Aaron Gettis, Chief Deputy County Counsel 4/1/2026

When recorded mail to:

NCRC CDR LLC
c/o National Community Renaissance of California
9692 Haven Avenue, Suite 100
Rancho Cucamonga, California 91730
Attn: Kevin Lim

APN: 118-183-034 THROUGH 118-183-043, INCLUSIVE; 118-183-049; 118-183-051; 118-183-053; 118-171-019 THROUGH 118-171-024, INCLUSIVE, 118-171-027 THROUGH 118-171-038, INCLUSIVE AND 118-171-040 THROUGH 118-171-046, INCLUSIVE, AND 118-171-054 THROUGH 118-171-056, INCLUSIVE.

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the “Agreement”) is entered into as of [March __], 2026, by and among National Community Renaissance of California, a California nonprofit public benefit corporation (the “Assignor”) and NCRC CDR LLC, a California limited liability company (the “Assignee”), and County of Riverside, a political subdivision of the State of California (the “County”). The Assignor and Assignee shall collectively be referred to as the "Parties". The “Effective Date” of this Agreement shall be the date of recordation in the Official Records of the County of Riverside (“Official Records”).

RECITALS

A. The County made a loan (the “Loan”) to Assignor in the principal amount of Five Million and 00/100 Dollars (\$5,000,000.00) for the purpose of financing, in part, the rehabilitation expenses related to a one hundred sixty (160) unit affordable housing project (the “Project”) located in the City of Corona, State of California, described on Exhibit A attached hereto (the “Property”).

B. The Loan is evidenced by that certain Loan Agreement for the Use of American Rescue Plan Act (ARPA) Funds (Corona Del Rey Apartments) dated as of October 2, 2023, and recorded in the Official Records on December 28, 2023, as Instrument No. 2023-0384142 (the “Loan Agreement”) and that certain Promissory Note dated as of October 2, 2023 (the “Note”) and is secured by that certain Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of October 2, 2023, and recorded in the Official Records on December 28, 2023, as Instrument No. 2023-0384143 (the “Deed of Trust”) and that certain Covenant Agreement (Corona Del Rey Apartments) dated as of October 2, 2023, and recorded in the Official Records on December 28, 2023, as Instrument No. 2023-0384141 (the “Covenant”). The Loan Agreement, the Note, the Deed of Trust, the Covenant, and all other documents evidencing, securing, guaranteeing, or otherwise delivered in connection with the Loan are defined collectively as the “ARPA Loan Documents.”

C. Assignor is the sole member of the Assignee and has formed the Assignee for the purpose of rehabilitating the Project. In connection therewith, Assignor and Assignee have applied for a new loan

from JPMorgan Chase Bank, N.A., a national banking association, in the anticipated amount of up to Twelve Million Five Hundred Thousand and 00/100 Dollars (\$12,500,000) (the “Chase Loan”).

D. In connection with the Chase Loan and the new rehabilitation work on the Project, Assignee and the County will enter into that certain First Amendment to Loan Agreement for the Use of American Rescue Plan Act (ARPA) Funds (Corona Del Rey Apartments) (the “Omnibus Amendment”) and that certain Amended and Restated Promissory Note for the Use of American Rescue Plan Act (ARPA) Funds (Corona Del Rey Apartments) (“Amended and Restated Note”). The Loan Agreement, the Amended and Restated Note, the Deed of Trust, the Covenant and the Omnibus Amendment are defined collectively as the “ARPA Loan Documents.”

E. Substantially concurrently herewith, Assignor shall transfer the Property and the Project to the Assignee.

F. In connection with the transfer of the Property, Assignor desires to assign to the Assignee all of Assignor’s right, title, interest and obligations under the ARPA Loan Documents, and the Assignee desires to accept such assignment.

NOW, THEREFORE, for good and valuable consideration, the Parties agree as follows:

1. Assignment. Assignor hereby assigns to the Assignee all of Assignor’s rights, title, interests in, and obligations under the ARPA Loan Documents.

2. Acceptance. The Assignee hereby accepts such assignment, and hereby assumes all of the rights, title, interests in, and obligations of Assignor under the ARPA Loan Documents. Any reference to Assignor in the ARPA Loan Documents shall be deemed a reference to the Assignee. The Assignee agrees that all amounts due from Assignor pursuant to the ARPA Loan Documents from and after the Effective Date shall be paid directly by the Assignee.

3. Release of Assignor. The Assignee hereby releases Assignor from all obligations imposed under the ARPA Loan Documents.

4. Consent of County. County hereby consents to the assignment of the ARPA Loan Documents from Assignor to Assignee and hereby agrees to release Assignor from all obligations imposed under the ARPA Loan Documents.

5. Representations. Assignor hereby represents and warrants that it has not previously assigned, pledged, hypothecated or otherwise transferred any of its rights under the ARPA Loan Documents.

6. Recording Order. The Parties intend that this Agreement be recorded in the Official Records in such manner as to ensure that it is senior in priority to the Omnibus Amendment, and this Agreement shall be deemed to have priority over, and be superior in all respects to, the Omnibus Amendment.

7. Notices to Assignee. The Assignee’s address for notices under the APRA Loan

Documents shall be:

NCRC CDR LLC
c/o National Community Renaissance of California
9692 Haven Avenue, Suite 100
Rancho Cucamonga, California 91730
Attn: Kevin Lim

8. Conflicts. In the event of any conflict between this Agreement and the ARPA Loan Documents, this Agreement shall control.

9. Authority. Each of the Parties represents and warrants that it has the full power and authority to execute this Agreement and perform its respective obligations hereunder.

10. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one document.

Signatures on Following Page

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date set forth above.

ASSIGNOR:

NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA,
a California nonprofit public benefit corporation

By: form-do not sign
Kevin Lim, Chief Financial Officer

ASSIGNEE:

NCRC CDR LLC,
a California limited liability company

By: National Community Renaissance of California,
a California nonprofit public benefit corporation
its sole member

By: form-do not sign
Kevin Lim, Chief Financial Officer

COUNTY:

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

By: form-do not sign
Name: Heidi Marshall
Title: Director, Housing and Workforce Solutions

APPROVED AS TO FORM:

Minh C. Tran
County Counsel



Amrit P. Dhillon, Deputy County Counsel

CALIFORNIA ALL-PURPOSE 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, _____ (here 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)

CALIFORNIA ALL-PURPOSE 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, _____ (here 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)

EXHIBIT A

Legal Description

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

LOTS 1 THROUGH 41 INCLUSIVE OF TRACT NO. 2687, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 48, PAGES 65 AND 66 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM PORTIONS LOTS 40 AND 41 HEREIN, AS CONVEYED TO RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT BY GRANT DEED RECORDED FEBRUARY 16, 1993 AS INSTRUMENT NO. 57453 OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THOSE PORTIONS OF SAID LAND ACQUIRED BY THE RIVERSIDE COUNTY TRANSPORTATION COMMISSION BEING DESCRIBED AND DELINEATED AS CALTRANS PARCEL NO. 221891 AND CALTRANS PARCEL NO. 221901 IN THE FINAL ORDER OF CONDEMNATION RECORDED SEPTEMBER 25, 2017 AS INSTRUMENT NO. 20170396392 OFFICIAL RECORDS.

TOGETHER WITH PORTIONS GARFIELD AVENUE, GRANT AVENUE, "C" STREET AND THE ADJACENT ALLEYS OFF OF "D" STREET LOCATED SOUTH OF STATE ROUTE 91 AND WEST OF LINCOLN AVENUE, BEING PORTIONS OF LETTERED LOTS B THROUGH J INCLUSIVE OF SAID TRACT NO. 2687, AS VACATED BY RESOLUTION NO. 97-43 RECORDED JUNE 24, 1997 AS INSTRUMENT NO. 222392 OFFICIAL RECORDS.

APN(s): 118-183-034 THROUGH 118-183-043, INCLUSIVE; 118-183-049; 118-183-051; 118-183-053; 118-171-019 THROUGH 118-171-024, INCLUSIVE, 118-171-027 THROUGH 118-171-038, INCLUSIVE AND 118-171-040 THROUGH 118-171-046, INCLUSIVE, AND 118-171-054 THROUGH 118-171-056, INCLUSIVE.

NO FEE FOR RECORDING PURSUANT
TO GOVERNMENT CODE SECTION 27383

Order No.
Escrow No.
Loan No.

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

County of Riverside
Housing and Workforce Solutions
3403 Tenth Street, Suite 300
Riverside, CA 92501
Attn: Alicia Jaimes

SPACE ABOVE THIS LINE FOR RECORDERS USE

**FIRST AMENDMENT TO LOAN AGREEMENT
FOR THE USE OF AMERICAN RESCUE PLAN ACT (ARPA) FUNDS
(Corona Del Rey Apartments)**

This FIRST AMENDMENT TO LOAN AGREEMENT FOR THE USE OF AMERICAN RESCUE PLAN ACT (ARPA) FUNDS (“First Amendment”) is made and entered into this ____ day of _____, 2026 by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California (“COUNTY” or “County”), and NCRC CDR LLC, a California limited liability company (“BORROWER”). The COUNTY and BORROWER may be individually referred to herein as a “Party” and collectively as the “Parties.”

RECITALS:

WHEREAS, the Parties entered into that certain LOAN AGREEMENT FOR THE USE OF AMERICAN RESCUE PLAN ACT (ARPA) FUNDS dated October 2, 2023 (“ARPA Loan Agreement”) and recorded on December 28, 2023 as Instrument No. 2023-0384142 in the Official Records of County of Riverside’s County Recorder’s Office (“Official Records”) for the purpose of financing, in part, the rehabilitation expenses related to a one hundred sixty (160) unit affordable housing project (the “Project”) located in the City of Corona, State of California, described on Exhibit A attached hereto (the “Property”);

WHEREAS, the Parties entered into that certain COVENANT AGREEMENT (Corona Del Rey Apartments) dated October 2, 2023 (“ARPA Covenant”) and recorded on December

28, 2023 as Instrument No. 2023-0384141 in the Official Records;

WHEREAS, the Parties entered into that certain DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURES FILING dated October 2, 2023 (“ARPA Deed of Trust”) and recorded as on December 28, 2023 as Instrument No. 2023-0384143 in the Official Records;

WHEREAS, the Parties entered into that certain PROMISSORY NOTE dated August 30, 2023 (“Promissory Note”);

WHEREAS, the ARPA Loan Agreement, the Promissory Note, ARPA Deed of Trust, and ARPA Covenant are collectively referred to herein as the “ARPA Loan Documents”;

WHEREAS, the rehabilitation of the Project has been completed, and the Borrower has formed NCRC CDR LLC to own and operate the Project;

WHEREAS, the Parties entered into that certain ASSIGNMENT AND ASSUMPTION AGREEMENT dated [March ___, 2026] authoring the assignment and assumption of the ARPA Loan Documents, and all rights and obligations thereunder, to NCRC CDR LLC, which replaced National Community Renaissance of California as the borrower;

WHEREAS, permanent financing in the approximate amount of \$12.2 million from JPMORGAN CHASE BANK, N.A. will be used to pay off approximately \$11.3 million in construction loans, a \$40,000 County HOME Loan, financing and closing costs, and immediate repairs and capital improvements;

WHEREAS, the Parties desire to amend the ARPA Loan Agreement to update exhibits, residual receipts allocation, and other changes necessary to implement ARPA funding in connection with the Project; and

WHEREAS, this First Amendment is not binding until approved by the Board of Supervisors.

NOW, THEREFORE, in consideration of the foregoing, and the promises and mutual covenants and conditions hereinafter set forth, COUNTY and BORROWER do hereby agree as follows:

1. **Section 4 (d) (v) (8)** of the ARPA Loan Agreement is deleted and replaced in its entirety with “Reserved”.

2. **Section 4 (e)** of the ARPA Loan Agreement is deleted and replaced in its entirety with the following:

“At such time, payment of twenty-five percent (25%) of the Residual Receipts produced from the Project shall be made by the BORROWER to the COUNTY annually on July 15th of each year. Payment shall be applied first to accrued interest and thereafter to principal. BORROWER shall annually provide the COUNTY with an accounting report acceptable to the COUNTY, documenting the calculation of Residual Receipts for the previous calendar year ending December 31. This accounting shall be made on or before July 15, together with the payment of Residual Receipts. Notwithstanding anything to the contrary contained herein, up to 50% of Residual Receipts shall be deposited into the “Supplemental Replacement Reserve Account” to its threshold amount until funding is full on an annual basis in accordance with the terms of and as further detailed in that certain 1st Amendment to the Operation and Maintenance Agreement entered into by and among BORROWER, the City of Corona (“City”), a California municipal corporation, and City of Corona Housing Authority (“City Housing Authority”), a public body, corporate and politic, organized under the laws of the State of California, as the successor to the former City of Corona Redevelopment Agency. Once the Supplemental Replacement Reserve Account Threshold has been met and/or up to 50% of Residual Receipts has been deposited into the Supplemental Replacement Reserve Account, Fifty percent (50%) of the Project’s Residual Receipts not used to fund Supplemental Replacement Reserve the shall be used towards the payment of the City Loan; Twenty five percent (25%) of the Project’s Residual Receipts not used to fund the Supplemental Replacement Reserve shall be used towards the payment of the ARPA Loan until the Note is repaid in full; and, the remaining twenty-five percent (25%) of the Project’s Residual Receipts not sued to fund the Supplemental Replacement Reserve shall be paid to BORROWER.

3. **Exhibit C, Promissory Note**, of the ARPA Loan Agreement is deleted and replaced in its entirety with the Amended and Restated Promissory Note to amend residual receipt terms as

described above in Section 3 and attached hereto and by this reference incorporated herein as Exhibit B.

4. **Entire Agreement.** This First Amendment, together with the ARPA Loan Documents, constitutes the entire agreement between the Parties regarding the ARPA Loan. No other oral or written representations, understandings, or agreements exist outside this First Amendment and the ARPA Loan Document.

5. **Incorporation of Attachments.** All exhibits attached hereto are incorporated by this reference.

6. **Other Terms Unmodified.** Except as modified herein, all other terms and conditions of the ARPA Loan Documents, including ARPA Deed of Trust and the ARPA Covenant, remain in full force and effect.

7. **Execution in Counterparts.** This First Amendment may be executed in counterparts, each of which is an original, but all of which together constitute one and the same agreement.

8. **Effective Date and Board Approval.** The effective date of this First Amendment is the date the last party executes it. This First Amendment is not binding until approved by the Board of Supervisors.

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[SIGNATURES ON FOLLOWING PAGE]

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

COUNTY:

County of Riverside, a political subdivision of the State of California

By: form-do not sign
Heidi Marshall, Director
Housing and Workforce Solutions

Date: _____

BORROWER:

NCRC CDR LLC, a California limited liability company

By: National Community Renaissance of California, a California nonprofit public benefit corporation, its sole member

By: form - do not sign
Kevin Lim, Chief Financial Officer

Date: _____

(COUNTY and BORROWER signatures need to be notarized)

APPROVED AS TO FORM:

MINH C. TRAN
COUNTY COUNSEL

By: 
Amrit P. Dhillon, Deputy County Counsel

<CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENTS>

EXHIBIT A

LEGAL DESCRIPTION

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

LOTS 1 THROUGH 41 INCLUSIVE OF TRACT NO. 2687, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 48, PAGES 65 AND 66 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM PORTIONS LOTS 40 AND 41 HEREIN, AS CONVEYED TO RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT BY GRANT DEED RECORDED FEBRUARY 16, 1993 AS INSTRUMENT NO. 57453 OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THOSE PORTIONS OF SAID LAND ACQUIRED BY THE RIVERSIDE COUNTY TRANSPORTATION COMMISSION BEING DESCRIBED AND DELINEATED AS CALTRANS PARCEL NO. 221891 AND CALTRANS PARCEL NO. 221901 IN THE FINAL ORDER OF CONDEMNATION RECORDED SEPTEMBER 25, 2017 AS INSTRUMENT NO. 20170396392 OFFICIAL RECORDS.

TOGETHER WITH PORTIONS GARFIELD AVENUE, GRANT AVENUE, "C" STREET AND THE ADJACENT ALLEYS OFF OF "D" STREET LOCATED SOUTH OF STATE ROUTE 91 AND WEST OF LINCOLN AVENUE, BEING PORTIONS OF LETTERED LOTS B THROUGH J INCLUSIVE OF SAID TRACT NO. 2687, AS VACATED BY RESOLUTION NO. 97-43 RECORDED JUNE 24, 1997 AS INSTRUMENT NO. 222392 OFFICIAL RECORDS.

APN(s): 118-183-034 THROUGH 118-183-043, INCLUSIVE; 118-183-049; 118-183-051; 118-183-053; 118-171-019 THROUGH 118-171-024, INCLUSIVE, 118-171-027 THROUGH 118-171-038, INCLUSIVE AND 118-171-040 THROUGH 118-171-046, INCLUSIVE, AND 118-171-054 THROUGH 118-171-056, INCLUSIVE.

EXHIBIT B

Amended and Restated Promissory Note

AMENDED AND RESTATED PROMISSORY NOTE

\$5,000,000

Riverside, CA

In installments as hereafter stated, for value received, NCRC CDR LLC, a California limited liability company (“Borrower”), promises to pay the COUNTY OF RIVERSIDE, a political subdivision of the State of California (“COUNTY”), or order, at 3403 10th Street, Suite 300, Riverside, CA 92501, the sum of FIVE MILLION AND NO/100 DOLLARS (U.S. \$5,000,000) (the “Loan” or “Note Amount”) which at the time of payment is lawful for the payment of public and private debts.

This Amended and Restated Promissory Note (“Note”) is given in accordance with that certain Loan Agreement for the Use of ARPA Funds executed by COUNTY and Borrower, dated as of October 2, 2023 and recorded in the Official Records of the County of Riverside (“Official Records”) on December 28, 2023, as Instrument No. 2023-0384142 (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 and Assignment of Rents executed by Borrower and recorded in the Official Records for the benefit of the County dated October 2, 2023 and recorded on December 28, 2023, as Instrument No. 2023-0384143 (the “Deed of Trust”). 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 is being made pursuant to the Coronavirus State and Local Fiscal Recovery Funds (“SLFRF” or “ARPA Funds”), and the implementing regulations thereto (31 CFR Part 35) (“ARPA”). Borrower agrees for itself, its successors and assigns, that the use of the Property shall be subject to the restrictions on rent and occupancy required under the HOME Investment Partnerships Program and the regulations issued thereunder (Title II, the Cranston-Gonzales National Affordable Housing Act, Public Law No. 101-625, 104 Stat. 4079 (1990), (24 C.F.R. Part 92) (the “HOME Program”), 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 the COUNTY).
- (2) 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.
 1. This Note shall be repaid according to the following: Twenty five percent (25%) of the Project’s Residual Receipts shall be used towards the payment of the Loan until the Note is repaid in full. Notwithstanding anything to the contrary contained herein, up to 50% of Residual Receipts shall be deposited into the “Supplemental Replacement Reserve Account” to its threshold amount until funding is full on an annual basis in accordance with the terms of and as further detailed in that certain 1st Amendment to the Operation and Maintenance Agreement entered into by and among BORROWER, the City of Corona (“City”), a California municipal corporation, and City of Corona Housing Authority (“City Housing Authority”), a public body, corporate and politic, organized

under the laws of the State of California, as the successor to the former City of Corona Redevelopment Agency. Once the Supplemental Replacement Reserve Account Threshold has been met and/or up to 50% of Residual Receipts has been deposited into the Supplemental Replacement Reserve Account, Fifty percent (50%) of the Project's Residual Receipts not used to fund Supplemental Replacement Reserve shall be used towards the payment of the City Loan; Twenty five percent (25%) of the Project's Residual Receipts not used to fund the Supplemental Replacement Reserve shall be used towards the payment of the ARPA Loan until the Note is repaid in full; and, the remaining twenty-five percent (25%) of the Project's Residual Receipts not used to fund the Supplemental Replacement Reserve shall be paid to BORROWER.

- (3) The term "Residual Receipts" used herein shall mean all money and income from the Project remaining annually after the payment of all normal and necessary expenses of operation of the Project, including but not limited to the following:
1. payments of principal and interest and other mandatory payments on amortized loans and indebtedness senior to the ARPA Loan, which have been approved in writing by COUNTY (collectively, the "Senior Debt");
 2. utility fees and costs not paid by tenants;
 3. insurance on the Project;
 4. ad valorem taxes and assessment payments;
 5. management fees, expenses and costs, as well as the cost of social programs at the Project and compliance monitoring/reporting, which shall total initially \$75 per unit per month, which management fee shall be adjusted annually by a percentage equal to the annual increase in rents permitted by HUD and may be deferred and accrued;
 6. reserves for repair and replacement of the Project, in an annual amount of \$300 per rental unit per year;
 7. all other fees and expenses which may be permitted by the annual budget approved by the COUNTY;
 8. Reserved
 9. operating expenses will be considered "normal and necessary" if incurred generally for similarly structured, financed, and restricted rental properties operated by similar entities.
- (4) At such time, payment of twenty-five percent (25%) of the Residual Receipts produced from the Project shall be made by the BORROWER to the COUNTY annually on July 15th of each year. Payment shall be applied first to accrued interest and thereafter to principal. BORROWER shall annually provide the COUNTY with an accounting acceptable to the COUNTY, documenting the calculation of Residual Receipts for the previous calendar year ending December 31. This accounting shall be made on or before July 15, together with the payment of Residual Receipts. Notwithstanding

anything to the contrary contained herein, up to 50% of Residual Receipts shall be deposited into the “Supplemental Replacement Reserve Account” to its threshold amount until funding is full on an annual basis in accordance with the terms of and as further detailed in that certain 1st Amendment to the Operation and Maintenance Agreement entered into by and among BORROWER, the City of Corona (“City”), a California municipal corporation, and City of Corona Housing Authority (“City Housing Authority”), a public body, corporate and politic, organized under the laws of the State of California, as the successor to the former City of Corona Redevelopment Agency. Once the Supplemental Replacement Reserve Account Threshold has been met and/or up to 50% of Residual Receipts has been deposited into the Supplemental Replacement Reserve Account, Fifty percent (50%) of the Project’s Residual Receipts not used to fund Supplemental Replacement Reserve the shall be used towards the payment of the City Loan; Twenty five percent (25%) of the Project’s Residual Receipts not used to fund the Supplemental Replacement Reserve shall be used towards the payment of the ARPA Loan until the Note is repaid in full; and, the remaining twenty-five percent (25%) of the Project’s Residual Receipts not sued to fund the Supplemental Replacement Reserve shall be paid to BORROWER.

- (5) 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) December 31, 2078 or (ii) fifty-five (55) years from and after the recordation of the Covenant Agreement (the “Loan Term”). All outstanding principal along with accrued interest shall be due upon the maturity date of the Note and the expiration of the Loan Term.
- (6) The Loan evidenced by this Note is secured by that certain Deed of Trust and Assignment of Rents executed by Borrower for the benefit of the County, dated on or about the date hereof and recorded in the Official Records of the County of Riverside on or about the date hereof (“Deed of Trust”).
- (7) 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.
- (8) Subject to the provisions and limitations of this Section 10, the obligation to repay the Note Amount is a nonrecourse obligation of Borrower and its partners. Neither Borrower nor its partners shall have any personal liability for repayment of the Note Amount, except as provided in this Section 10. 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 10, the COUNTY may recover directly from Borrower or, unless otherwise prohibited by any applicable law, from any other party: (a) any damages, costs and expenses incurred by the COUNTY as a result of fraud, misrepresentation or any criminal act or acts of Borrower or any general partner, shareholder, officer, director or employee of Borrower, or of any member or general partner of Borrower, or of any general partner of such member or general partner; (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; (c) any misappropriation of rental proceeds resulting in the failure to pay taxes, assessments, or other charges that could create statutory liens on the Project and that are payable or applicable prior to any foreclosure under the Deed of Trust; (d) the fair market value of any personal property or fixtures removed or disposed of by the Borrower other than in accordance with the Deed of Trust; (e) any and all amounts owing by Borrower pursuant to any indemnity set forth in the Loan Agreement and/or Deed of Trust or the indemnification regarding Hazardous Substances pursuant to the Loan Agreement and/or Deed of Trust, and (f) all court costs and attorneys' fees reasonably incurred in enforcing or collecting upon any of the foregoing exceptions.

(9) The occurrence 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, (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, and /or (4) default past any applicable notice and cure period under the terms of (i) first priority shall be an Amended and Restated Affordable Housing Agreement by and among the City, City Housing Authority and BORROWER in connection with a former Redevelopment Agency loan in the original principal amount of \$1,200,000, approximately \$1,200,000 in accrued interest on that former Redevelopment Agency loan, and State Budget Appropriation Loan in

the new principal amount of new \$5,500,000 (the “Amended and Restated Affordable Housing Agreement; (ii)) second priority shall be an Amended and Restated Regulatory Agreement by and among the City, City Housing Authority and BORROWER in connection with the Amended and Restated Affordable Housing Agreement (the “City Amended and Restated Regulatory Agreement”); (iii) third priority shall be an Amended and Restated Operating and Maintenance Agreement by and among the City, City Housing Authority and BORROWER in connection with the Amended and Restated Affordable Housing Agreement (the “City Amended and Restated Operating and Maintenance Agreement”) (iv) fourth priority shall be an Amended and Restated Deed of Trust securing a loan for the benefit of the City and City Housing Authority in the principal amount of approximately \$7,900,000 (the “City Amended and Restated Deed of Trust”); (v) fifth priority shall be a HOME Deed of Trust between the County of Riverside and BORROWER in connection with the County HOME Loan in the original principal amount of \$275,000 (the “County HOME DOT”); (vi) sixth priority shall be the HOME Covenant Agreement between COUNTY and BORROWER in connection with the HOME Loan; (vii) seventh priority shall be the ARPA Covenant Agreement between COUNTY and BORROWER in connection with the ARPA Loan; (viii) eighth priority shall be a deed of trust securing a loan for the benefit of Southern California Housing Development Corporation of the Inland Empire (“SCHDCIE”) in the new principal amount up to \$7,450,000 (the “Construction Loan”); (ix) ninth priority shall be the ARPA Deed of Trust securing the ARPA Loan for the benefit of COUNTY in the principal amount up to \$5,000,000; (x) tenth priority shall be a deed of trust securing a sponsor loan for the benefit of NCRC in the principal amount up to \$2,500,000 (the “Sponsor Loan”).

- 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 agreement 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 with Assignment of Rents, Covenant Agreement, Note, or any document executed by the County in connection with this Agreement, 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; 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; whether or not COUNTY is a party to such agreement.
- (10) COUNTY shall give written notice of default to Borrower, specifying the default complained of by the COUNTY. Borrower shall have ten (10) 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.
 - (11) 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.
 - (12) 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.
 - (13) 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.
 - (14) 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 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.
 - (15) 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 Courts 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.

- (16) 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.
- (17) 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.
- (18) 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.
- (19) Except as to the permitted deeds of trust identified herein, 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.
- (20) 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.
- (21) (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); (ii) electronic facsimile transmission, followed on the same day by delivery of a "hard" copy via first-class mail, postage prepaid (in which event, the notice shall be deemed delivered on the date of its successful facsimile transmission as evidenced by a facsimile confirmation or "kick-out" sheet); or (iii) 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 10th Street, Ste. 300, Riverside, California 92501, Attention: Director of Housing and Workforce Solutions. The facsimile number for the COUNTY's receipt of notices is (951) 374-3098.
 - (c) The address of Borrower for purposes of receiving notices pursuant to this Note is NCRC CDR LLC, c/o National Community Renaissance of California, 9421 Haven Avenue, Rancho Cucamonga, CA 91730, Attention: CEO/CFO (spontell@nationalcore.org/mfinn@nationalcore.org), with a copy to National Community Renaissance of California, 9421 Haven Avenue, Rancho Cucamonga, CA 91730, Attention: General Counsel (rdiaz@nationalcore.org).
- (22) The captions and headings in this Note are for convenience only and are not to be used to interpret or define the provisions hereof.
 - (23) The undersigned, if comprising more than one person or entity, shall be jointly and severally liable hereunder.
 - (24) 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 INTENTIONALLY BLANK]

[SIGNATURES ON FOLLOWING PAGE]

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

BORROWER:

NCRC CDR LLC, a California
limited liability company

By: National Community Renaissance of
California, a California nonprofit public benefit
corporation, its sole member

By: exhibit - do not sign
 Kevin Lim, Chief Financial Officer

Date: _____

Prepared by, and after recording
return to:

Lanre A. Popoola, Esquire
Troutman Pepper Locke LLP
Post Office Box 1122
Richmond, Virginia 23218

SUBORDINATION AGREEMENT

GOVERNMENTAL ENTITY

(Revised 2-25-2025)

Freddie Mac Loan Number: 511879059
Property Name: Corona del Rey Apartments

SUBORDINATION AGREEMENT

GOVERNMENTAL ENTITY

(Revised 2-25-2025)

THIS SUBORDINATION AGREEMENT (“**Agreement**”) is entered into this ____ day of _____, 2026, by and between (i) **JPMORGAN CHASE BANK, N.A.**, a national banking association organized and existing under the laws of the State of California (“**Senior Lender**”) and (ii) **COUNTY OF RIVERSIDE** a political subdivision of the State of California (“**Subordinate Lender**”).

RECITALS

- A. **NCRC CDR LLC**, a limited liability company 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. Senior Lender has made or is making a loan to Borrower in the original principal amount of \$[12,187,000].00 (“**Senior Loan**”) upon the terms and conditions of a Multifamily Loan and Security Agreement dated as of _____, 2026 between Senior Lender and Borrower (“**Senior Loan Agreement**”) 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 of the Senior Loan Agreement (“**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 the Use of American Rescue Plan Act (ARPA Funds) dated as of October 2, 2023 between Subordinate Lender and Borrower (“**Subordinate Loan Agreement**”), Subordinate Lender has made or is making a loan to Borrower in the original principal amount of \$5,000,000.00 (“**Subordinate Loan**”). The Subordinate Loan is or will be secured by a Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of October 2, 2023 (“**Subordinate Mortgage**”) encumbering all or a portion of the Mortgaged Property.
- D. The Senior Mortgage will be recorded in the land records of Riverside County, California (“**Recording Office**”). The Subordinate Mortgage is recorded in the Recording Office as Document No. 2023-0384143.

- E. The execution and delivery of this Agreement is a condition of Senior Lender's making of the Senior Loan.

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 Senior Loan 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 if Senior 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.

"**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 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.

“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 October 2, 2023 and recorded as Document No. 2023-0384141 in the Recording Office.

“Senior Indebtedness” means the “Indebtedness” as defined in the Senior Loan Agreement.

“Senior Lender” means the “Lender” as defined in the Senior Mortgage. 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 “Loan Documents” as defined in the Senior Loan 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 Senior Loan Agreement.

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

“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.

“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 \$_____.
 - (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 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 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 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 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 will deliver to Subordinate Lender a copy of any Notice sent by Senior Lender to Borrower of a Senior Mortgage Default within 5 Business Days of sending such Notice to Borrower. Failure of Senior 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.
 - (ii) All original policies of insurance required pursuant to the Senior Loan Documents will be held by Senior 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 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 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 pursuant to the Senior Loan Documents or otherwise, Senior 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 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, Subordinate Lender will furnish Senior 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:

JPMORGAN CHASE BANK, N.A.
P.O. Box 9176
Coppell, Texas 75019-9011
Attention: Post-Closing

Notices intended for Subordinate Lender will be addressed to:

COUNTY OF RIVERSIDE
Housing and Workforce Solutions
3403 Tenth Street, Suite 300
Riverside, CA 92501
Attention: Director

(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. 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 as a joint venturer or partner of Subordinate Lender.
- (c) Further Assurances. Upon Notice from Senior Lender, Subordinate Lender will execute and deliver such additional instruments and documents, and will take such actions, as are required by Senior 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.

- (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.

13. Attached Riders. The following Riders are attached to this Agreement: Regulatory Agreement Primes Mortgage

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)

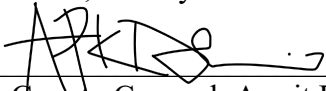
[SIGNATURE AND ACKNOWLEDGMENT PAGES FOLLOW]

SUBORDINATE LENDER:

COUNTY OF RIVERSIDE

By: form-do not sign
Name: Heidi Marshall
Title: Director, Housing & Workforce Solutions

APPROVED AS TO FORM:
Minh C. Tran, County Counsel


Deputy County Counsel, Amrit P. Dhillon

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 _____

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)

CONSENT OF BORROWER

Borrower acknowledges receipt of a copy of this Subordination Agreement, dated _____, 20__, by and between , **JPMORGAN CHASE BANK, N.A.** and **COUNTY OF RIVERSIDE** and consents to the agreement of the parties set forth in this Agreement.

NCRC CDR LLC, a California limited liability company

By: NATIONAL COMMUNITY
RENAISSANCE OF CALIFORNIA, a
California nonprofit public benefit
corporation, its sole member

By: _____ form-do not sign
Name: Kevin Lim
Title: Chief Financial Officer

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 _____

County of _____

On _____ before me, _____,
(Insert Name and Title of the Officer)

personally appeared Kevin Lim, 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)

RIDER TO SUBORDINATION AGREEMENT – GOVERNMENTAL ENTITY
REGULATORY AGREEMENT PRIMES MORTGAGE

(Revised 7-23-2025)

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 deleted in its entirety and restated as follows:

“**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) 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 to 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) In the event of a default under the Regulatory Agreement, Subordinate Lender will not commence any Regulatory Agreement Enforcement Action until 90 days after Subordinate Lender has delivered to Senior Lender a Regulatory Agreement Enforcement Action Notice. 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, injunctive relief, or the replacement of the property manager, subject to Senior Lender's right to cure a Regulatory Agreement Default set forth in Section 11(c).
- (ii) Subject to Senior Lender's right to cure a Regulatory Agreement Default set forth in Section 11(c), Subordinate Lender may not commence any other Regulatory Agreement Enforcement Action, until the earlier of:

- (A) The expiration of the 90-day period in Section 11(d)(i) above.
 - (B) The delivery by Senior Lender to Subordinate Lender of Senior Lender's written consent to such Regulatory Agreement Enforcement Action by Subordinate Lender.
- (iii) 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.
- (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) 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;
 - (ii) 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
 - (iii) 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

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

LOTS 1 THROUGH 41 INCLUSIVE OF TRACT NO. 2687, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 48, PAGES 65 AND 66 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM PORTIONS LOTS 40 AND 41 HEREIN, AS CONVEYED TO RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT BY GRANT DEED RECORDED FEBRUARY 16, 1993 AS INSTRUMENT NO. 57453 OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THOSE PORTIONS OF SAID LAND ACQUIRED BY THE RIVERSIDE COUNTY TRANSPORTATION COMMISSION BEING DESCRIBED AND DELINEATED AS CALTRANS PARCEL NO. 221891 AND CALTRANS PARCEL NO. 221901 IN THE FINAL ORDER OF CONDEMNATION RECORDED SEPTEMBER 25, 2017 AS INSTRUMENT NO. 20170396392 OFFICIAL RECORDS.

TOGETHER WITH PORTIONS GARFIELD AVENUE, GRANT AVENUE, "C" STREET AND THE ADJACENT ALLEYS OFF OF "D" STREET LOCATED SOUTH OF STATE ROUTE 91 AND WEST OF LINCOLN AVENUE, BEING PORTIONS OF LETTERED LOTS B THROUGH J INCLUSIVE OF SAID TRACT NO. 2687, AS VACATED BY RESOLUTION NO. 97-43 RECORDED JUNE 24, 1997 AS INSTRUMENT NO. 222392 OFFICIAL RECORDS.

APN(s): 118-183-034 THROUGH 118-183-043, INCLUSIVE; 118-183-049; 118-183-051; 118-183-053; 118-171-019 THROUGH 118-171-024, INCLUSIVE, 118-171-027 THROUGH 118-171-038, INCLUSIVE AND 118-171-040 THROUGH 118-171-046, INCLUSIVE, AND 118-171-054 THROUGH 118-171-056, INCLUSIVE.