

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

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

No fee for recording pursuant to
Government Code Sections 27383 and 27388.1

FEE AND LEASEHOLD DEED OF TRUST WITH ASSIGNMENT OF RENTS,
SECURITY AGREEMENT, AND FIXTURE FILING
AND NON-BORROWER TRUSTOR RIDER TO DEED OF TRUST
(Riverhouse Hotel – CDBG Loan)

THIS FEE AND LEASEHOLD DEED OF TRUST WITH ASSIGNMENT OF RENTS, SECURITY AGREEMENT, AND FIXTURE FILING AND NON-BORROWER TRUSTOR RIDER TO DEED OF TRUST ("Deed of Trust") is made as of February 26, 2025, by and among Riverhouse Associates, a California Limited Partnership ("Borrower Trustor"), Eden Housing, Inc., a California nonprofit public benefit corporation ("Non-Borrower Trustor"), Old Republic Title Company, a California corporation ("Trustee"), and the County of Contra Costa a political subdivision of the State of California ("Beneficiary"). Collectively, Borrower Trustor and Non-Borrower Trustor are referred to as "Trustor". Non-Borrower Trustor's obligations under this Deed of Trust are subject to the terms of the Non-Borrower Trustor Rider attached as Exhibit B to this Deed of Trust.

FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited and the trust herein created, the receipt of which is hereby acknowledged, Trustor hereby irrevocably grants, transfers, conveys and assigns to Trustee, IN TRUST, WITH POWER OF SALE, for the benefit and security of Beneficiary, under and subject to the terms and conditions hereinafter set forth, Borrower Trustor's leasehold interest and Non-Borrower Trustor's fee interest in the property located in the County of Contra Costa, State of California, that is described in the attached Exhibit A, incorporated herein by this reference, as such leasehold interest is created pursuant to that certain Ground Lease defined below (the "Property").

TOGETHER WITH all interest, estates or other claims, both in law and in equity which Trustor now has or may hereafter acquire in the Property and the rents;

TOGETHER WITH all easements, rights-of-way and rights used in connection therewith or as a means of access thereto, including (without limiting the generality of the foregoing) all tenements, hereditaments and appurtenances thereof and thereto;

TOGETHER WITH any and all buildings and improvements of every kind and description now or hereafter erected thereon, and all property of Trustor now or hereafter affixed to or placed upon the Property;

TOGETHER WITH all building materials and equipment now or hereafter delivered to said property and intended to be installed therein;

TOGETHER WITH all right, title and interest of Trustor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Property, and any and all sidewalks, alleys and strips and areas of land adjacent to or used in connection with the Property;

TOGETHER WITH all estate, interest, right, title, other claim or demand, of every nature, in and to such property, including the Property, both in law and in equity, including, but not limited to, all deposits made with or other security given by Trustor to utility companies, the proceeds from any or all of such property, including the Property, claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Trustor now has or may hereafter acquire, any and all awards made for the taking by eminent domain or by any proceeding or purchase in lieu thereof of the whole or any part of such property, including without limitation, any awards resulting from a change of grade of streets and awards for severance damages to the extent Beneficiary has an interest in such awards for taking as provided in Paragraph 4.1 herein;

TOGETHER WITH all of Trustor's interest in all articles of personal property or fixtures now or hereafter attached to or used in and about the building or buildings now erected or hereafter to be erected on the Property which are necessary to the complete and comfortable use and occupancy of such building or buildings for the purposes for which they were or are to be erected, including all other goods and chattels and personal property as are ever used or furnished in operating a building, or the activities conducted therein, similar to the one herein described and referred to, and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are, or will be, attached to said building or buildings in any manner; and

TOGETHER WITH all of Trustor's interest in all building materials, fixtures, equipment, work in process and other personal property to be incorporated into the Property; all goods, materials, supplies, fixtures, equipment, machinery, furniture and furnishings, signs and other personal property now or hereafter appropriated for use on the Property, whether stored on the Property or elsewhere, and used or to be used in connection with the Property; all rents, issues and profits, and all inventory, accounts, accounts receivable, contract rights, general intangibles, chattel paper, instruments, documents, notes drafts, letters of credit, insurance policies, insurance and condemnation awards and proceeds, trade names, trademarks and service marks arising from or related to the Property and any business conducted thereon by Trustor; all replacements, additions, accessions and proceeds; and all books, records and files relating to any of the foregoing.

All of the foregoing, together with the Property, is herein referred to as the "Security." To have and to hold the Security together with acquittances to the Trustee, its successors and assigns forever.

FOR THE PURPOSE OF SECURING THE FOLLOWING OBLIGATIONS (together, the "Secured Obligations"):

A. Payment to Beneficiary of all sums at any time owing under or in connection with (i) the Note (defined in Section 1.6 below) until paid in full or cancelled, and (ii) any other amounts owing under the Loan Documents (defined in Section 1.5 below). Principal and other payments are due and payable as provided in the Note or other Loan Documents, as applicable. The Note and all its terms are incorporated herein by reference, and this conveyance secures any and all extensions thereof, however evidenced;

B. Payment of any sums advanced by Beneficiary to protect the Security pursuant to the terms and provisions of this Deed of Trust following a breach of Trustor's obligation to advance said sums and the expiration of any applicable cure period, with interest thereon as provided herein;

C. Performance of every obligation, covenant or agreement of Trustor contained herein and in the Loan Documents; and

D. All modifications, extensions and renewals of any of the Secured Obligations (including without limitation, (i) modifications, extensions or renewals at a different rate of interest, or (ii) deferrals or accelerations of the required principal payment dates or interest payment dates or both, in whole or in part), however evidenced, whether or not any such modification, extension or renewal is evidenced by a new or additional promissory note or notes.

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

ARTICLE 1 DEFINITIONS

In addition to the terms defined elsewhere in this Deed of Trust, the following terms have the following meanings in this Deed of Trust:

Section 1.1 The term "Default Rate" means the lesser of the maximum rate permitted by law and ten percent (10%) per annum.

Section 1.2 The term "Ground Lease" means that certain Ground Lease by and between Non-Borrower Trustor as fee owner of the Property and Borrower Trustor as ground lessee of the Property, dated as of August 14, 1991.

Section 1.3 The term "Loan" means the loan made by Beneficiary to Borrower Trustor, in the amount of Two Million Dollars (\$2,000,000).

Section 1.4 The term "Loan Agreement" means that certain Development Loan Agreement between Borrower Trustor and Beneficiary, of even date herewith, as such may be amended from time to time, providing for Beneficiary to loan to Borrower Trustor the Loan.

Section 1.5 The term "Loan Documents" means this Deed of Trust, the Note, the Loan Agreement, and the Regulatory Agreement, and any other agreements, debt, loan or security instruments between Trustor and Beneficiary relating to the Loan.

Section 1.6 The term "Note" means the promissory note in the amount of the Loan, of even date herewith, executed by Borrower Trustor in favor of Beneficiary, as it may be amended or restated, the payment of which is secured by this Deed of Trust. The terms and provisions of the Note are incorporated herein by reference.

Section 1.7 The term "Principal" means the amounts required to be paid under the Note.

Section 1.8 The term "Regulatory Agreement" means the Regulatory Agreement and Declaration of Restrictive Covenants dated April 1, 2012, by and among Beneficiary, Borrower Trustor, and Non-Borrower Trustor and recorded against the Property on August 1, 2012 as Instrument Number 2012-0183045.

ARTICLE 2 MAINTENANCE AND MODIFICATION OF THE PROPERTY AND SECURITY

Section 2.1 Maintenance and Modification of the Property by Trustor.

Trustor agrees that at all times prior to full payment and performance of the Secured Obligations, Trustor will, at Trustor's own expense, maintain, preserve and keep the Security or cause the Security to be maintained and preserved in good condition. Trustor will from time to time make or cause to be made all repairs, replacements and renewals deemed proper and necessary by it. Beneficiary has no responsibility in any of these matters or for the making of improvements or additions to the Security.

Trustor agrees to pay fully and discharge (or cause to be paid fully and discharged) all claims for labor done and for material and services furnished in connection with the Security, diligently to file or procure the filing of a valid notice of cessation upon the event of a cessation of labor on the work or construction on the Security for a continuous period of thirty (30) days or more, and to take all other reasonable steps to forestall the assertion of claims of lien against the Security or any part thereof. Trustor irrevocably appoints, designates and authorizes Beneficiary as its agent (said agency being coupled with an interest) with the authority, but without any obligation, to file or record any notices of completion or cessation of labor or any other notice that Beneficiary deems necessary or desirable to protect its interest in and to the Security or the Loan Documents; provided, however, that Beneficiary exercises its rights as agent of Trustor only in the event that Trustor fails to take, or fails to diligently continue to take, those actions as hereinbefore provided.

Upon demand by Beneficiary, Trustor shall make or cause to be made such demands or claims as Beneficiary specifies upon laborers, materialmen, subcontractors or other persons who have furnished or claim to have furnished labor, services or materials in connection with the Security. Nothing herein contained requires Trustor to pay any claims for labor, materials or

services which Trustor in good faith disputes and is diligently contesting provided that Trustor shall, within thirty (30) days after the filing of any claim of lien, record in the Office of the Recorder of Contra Costa County, a surety bond in an amount 1 and 1/2 times the amount of such claim item to protect against a claim of lien.

Section 2.2 Granting of Easements.

Trustor may not grant easements, licenses, rights-of-way or other rights or privileges in the nature of easements with respect to any property or rights included in the Security except those required or desirable for installation and maintenance of public utilities including, without limitation, water, gas, electricity, sewer, telephone and telegraph, or those required by law, and as approved, in writing, by Beneficiary.

Section 2.3 Assignment of Rents.

As part of the consideration for the indebtedness evidenced by the Note, Trustor hereby absolutely and unconditionally assigns and transfers to Beneficiary all the rents and revenues of the Property including those now due, past due, or to become due by virtue of any lease or other agreement for the occupancy or use of all or any part of the Property, regardless of to whom the rents and revenues of the Property are payable, subject to the rights of senior lenders that are approved by Beneficiary pursuant to the Loan Agreement. Trustor hereby authorizes Beneficiary or Beneficiary's agents to collect the aforesaid rents and revenues and hereby directs each tenant of the Property to pay such rents to Beneficiary or Beneficiary's agents; provided, however, that prior to written notice given by Beneficiary to Trustor of the breach by Trustor of any covenant or agreement of Trustor in the Loan Documents, Trustor shall collect and receive all rents and revenues of the Property as trustee for the benefit of Beneficiary and Trustor to apply the rents and revenues so collected to the Secured Obligations with the balance, so long as no such breach has occurred and is continuing, to the account of Trustor, it being intended by Trustor and Beneficiary that this assignment of rents constitutes an absolute assignment and not an assignment for additional security only. Upon delivery of written notice by Beneficiary to Trustor of the breach by Trustor of any covenant or agreement of Trustor in the Loan Documents, and without the necessity of Beneficiary entering upon and taking and maintaining full control of the Property in person, by agent or by a court-appointed receiver, Beneficiary shall immediately be entitled to possession of all rents and revenues of the Property as specified in this Section 2.3 as the same becomes due and payable, including but not limited to, rents then due and unpaid, and all such rents will immediately upon delivery of such notice be held by Trustor as trustee for the benefit of Beneficiary only; provided, however, that the written notice by Beneficiary to Trustor of the breach by Trustor contains a statement that Beneficiary exercises its rights to such rents. Trustor agrees that commencing upon delivery of such written notice of Trustor's breach by Beneficiary to Trustor, each tenant of the Property shall make such rents payable to and pay such rents to Beneficiary or Beneficiary's agents on Beneficiary's written demand to each tenant therefor, delivered to each tenant personally, by mail or by delivering such demand to each rental unit, without any liability on the part of said tenant to inquire further as to the existence of a default by Trustor.

Trustor hereby covenants that Trustor has not executed any prior assignment of said rents, other than as security to senior lenders approved by Beneficiary pursuant to the Loan

Agreement, that Trustor has not performed, and will not perform, any acts or has not executed and will not execute, any instrument which would prevent Beneficiary from exercising its rights under this Section 2.3, and that at the time of execution of this Deed of Trust, there has been no anticipation or prepayment of any of the rents of the Property for more than two (2) months prior to the due dates of such rents. Trustor covenants that Trustor will not hereafter collect or accept payment of any rents of the Property more than two (2) months prior to the due dates of such rents. Trustor further covenants that, so long as the Secured Obligations are outstanding, Trustor will execute and deliver to Beneficiary such further assignments of rents and revenues of the Property as Beneficiary may from time to time request.

Upon Trustor's breach of any covenant or agreement of Trustor in the Loan Documents, Beneficiary may in person, by agent or by a court-appointed receiver, regardless of the adequacy of Beneficiary's security, enter upon and take and maintain full control of the Property in order to perform all acts necessary and appropriate for the operation and maintenance thereof including, but not limited to, the execution, cancellation or modification of leases, the collection of all rents and revenues of the Property, the making of repairs to the Property and the execution or termination of contracts providing for the management or maintenance of the Property, all on such terms as are deemed best to protect the security of this Deed of Trust. In the event Beneficiary elects to seek the appointment of a receiver for the Property upon Trustor's breach of any covenant or agreement of Trustor in this Deed of Trust, Trustor hereby expressly consents to the appointment of such receiver. Beneficiary or the receiver will be entitled to receive a reasonable fee for so managing the Property.

All rents and revenues collected subsequent to delivery of written notice by Beneficiary to Trustor of the breach by Trustor of any covenant or agreement of Trustor in the Loan Documents are to be applied first to the costs, if any, of taking control of and managing the Property and collecting the rents, including, but not limited to, attorney's fees, receiver's fees, premiums on receiver's bonds, costs of repairs to the Property, premiums on insurance policies, taxes, assessments and other charges on the Property, and the costs of discharging any obligation or liability of Trustor as lessor or landlord of the Property and then to the sums secured by this Deed of Trust. Beneficiary or the receiver is to have access to the books and records used in the operation and maintenance of the Property and will be liable to account only for those rents actually received. Beneficiary is not liable to Trustor, anyone claiming under or through Trustor or anyone having an interest in the Property by reason of anything done or left undone by Beneficiary under this Section 2.3.

If the rents of the Property are not sufficient to meet the costs, if any, of taking control of and managing the Property and collecting the rents, any funds expended by Beneficiary for such purposes will become part of the Secured Obligations pursuant to Section 3.3 hereof. Unless Beneficiary and Trustor agree in writing to other terms of payment, such amounts are payable by Trustor to Beneficiary upon notice from Beneficiary to Trustor requesting payment thereof and will bear interest from the date of disbursement at the Default Rate.

If Beneficiary or the receiver enters upon and takes and maintains control of the Property, neither that act nor any application of rents as provided herein will cure or waive any default under this Deed of Trust or invalidate any other right or remedy available to Beneficiary under

applicable law or under this Deed of Trust. This assignment of rents of the Property will terminate at such time as this Deed of Trust ceases to secure the Secured Obligations.

ARTICLE 3 TAXES AND INSURANCE; ADVANCES

Section 3.1 Taxes, Other Governmental Charges and Utility Charges.

Trustor shall pay, or cause to be paid, prior to the date of delinquency, all taxes, assessments, charges and levies imposed by any public authority or utility company that are or may become a lien affecting Trustor's interest in the Security or any part thereof; provided, however, that Trustor is not required to pay and discharge any such tax, assessment, charge or levy so long as (a) the legality thereof is promptly and actively contested in good faith and by appropriate proceedings, and (b) Trustor maintains reserves adequate to pay any liabilities contested pursuant to this Section 3.1. With respect to taxes, special assessments or other similar governmental charges, Trustor shall pay such amount in full prior to the attachment of any lien therefor on any part of the Security; provided, however, if such taxes, assessments or charges can be paid in installments, Trustor may pay in such installments. Except as provided in clause (b) of the first sentence of this paragraph, the provisions of this Section 3.1 may not be construed to require that Trustor maintain a reserve account, escrow account, impound account or other similar account for the payment of future taxes, assessments, charges and levies.

In the event that Trustor fails to pay any of the items required by this Section to be paid by Trustor, Beneficiary may (but is under no obligation to) pay the same, after Beneficiary has notified Trustor of such failure to pay and Trustor fails to fully pay such items within seven (7) business days after receipt of such notice. Any amount so advanced therefor by Beneficiary, together with interest thereon from the date of such advance at the maximum rate permitted by law, will become part of the Secured Obligations secured hereby, and Trustor agrees to pay all such amounts.

Section 3.2 Provisions Respecting Insurance.

Borrower Trustor agrees to provide insurance conforming in all respects to that required under the Loan Documents during the course of construction and following completion, and at all times until all amounts secured by this Deed of Trust have been paid, all Secured Obligations secured hereunder have been fulfilled, and this Deed of Trust has been reconveyed.

All such insurance policies and coverages are to be maintained at Borrower Trustor's sole cost and expense. Certificates of insurance for all of the above insurance policies, showing the same to be in full force and effect, are to be delivered to Beneficiary upon demand therefor at any time prior to Trustor's satisfaction of the Secured Obligations.

Section 3.3 Advances.

In the event Borrower Trustor fails to maintain the full insurance coverage required by this Deed of Trust or fails to keep the Security in accordance with the Loan Documents, Beneficiary, after at least seven (7) days prior notice to Trustor, may (but is under no obligation

to) (i) take out the required policies of insurance and pay the premiums on the same, and (ii) make any repairs or replacements that are necessary and provide for payment thereof. All amounts so advanced by Beneficiary will become part of the Secured Obligations (together with interest as set forth below) and will be secured hereby, which amounts Borrower Trustor agrees to pay on the demand of Beneficiary, and if not so paid, will bear interest from the date of the advance at the Default Rate.

ARTICLE 4 DAMAGE, DESTRUCTION OR CONDEMNATION

Section 4.1 Awards and Damages.

Subject to the rights of senior lenders, all judgments, awards of damages, settlements and compensation made in connection with or in lieu of (1) the taking of all or any part of or any interest in the Property by or under assertion of the power of eminent domain, (2) any damage to or destruction of the Property or any part thereof by insured casualty, and (3) any other injury or damage to all or any part of the Property (collectively, the "Funds") are hereby assigned to and are to be paid to Beneficiary by a check made payable to Beneficiary. Beneficiary is authorized and empowered (but not required) to collect and receive any Funds and is authorized to apply them in whole or in part to any indebtedness or obligation secured hereby, in such order and manner as Beneficiary determines at its sole option, subject to the provisions of Section 4.6(b) of the Loan Agreement regarding restoration of improvements following damage or destruction. Beneficiary is entitled to settle and adjust all claims under insurance policies provided under this Deed of Trust and may deduct and retain from the proceeds of such insurance the amount of all expenses incurred by it in connection with any such settlement or adjustment. Application of all or any part of the Funds collected and received by Beneficiary or the release thereof will not cure or waive any default under this Deed of Trust.

ARTICLE 5 AGREEMENTS AFFECTING THE PROPERTY; FURTHER ASSURANCES; PAYMENT OF PRINCIPAL AND INTEREST

Section 5.1 Other Agreements Affecting Property.

Trustor shall duly and punctually perform all terms, covenants, conditions and agreements binding upon it under the Loan Documents and any other agreement of any nature whatsoever now or hereafter involving or affecting the Security or any part thereof.

Section 5.2 Covenants Regarding Ground Lease.

(a) Trustor covenants this Deed of Trust is duly executed and delivered in conformity with, and does not violate or breach any term of covenant of, the Ground Lease.

(b) Trustor will cause or has caused a memorandum of ground lease to be recorded against the Property that provides notice of the existence of the Ground Lease.

(c) Trustor will not do or permit to be done or omit to do or permit the omission of any act, which would impair the security of this Deed of Trust, or would constitute grounds for the termination of the Ground Lease or would entitle the Ground Lessor to declare a forfeiture or termination of the Ground Lease.

(d) Non-Borrower Trustor will promptly notify Beneficiary in writing of any default (including the expiration of all notice and cure periods) by Borrower Trustor in the performance or observance of any of the terms, covenants, conditions on the part of Borrower Trustor to be performed or observed under the Ground Lease.

(e) Borrower Trustor will promptly notify Beneficiary in writing of any default (including the expiration of all notice and cure periods) by Non-Borrower Trustor in the performance or observance of any of the terms, covenants, conditions on the part of Non-Borrower Trustor to be performed or observed under the Ground Lease.

(f) Trustor will not, without the prior written consent of Beneficiary (which may be granted or withheld in the sole and absolute discretion of Beneficiary) terminate, materially modify or surrender or suffer or permit any termination, material modification or surrender of the Ground Lease.

(g) Borrower Trustor will not consent to any waiver of Ground Lessor's obligations under the Ground Lease, and Non-Borrower Trustor will not consent to any waiver of Borrower Trustor's obligations under the Ground Lease, nor to the subordination of the Ground Lease to any mortgage of the fee interest of Non-Borrower Trustor except as expressly provided in the Loan Documents or a writing signed by Beneficiary.

(h) Borrower Trustor will not acquire the fee interest in the Property under the Ground Lease without the express prior written approval of Beneficiary. In the event that Borrower Trustor acquires fee title to the Property, such interest will be deemed to be subject to and covered by this Deed of Trust, and Borrower Trustor shall promptly: (i) provide Beneficiary with notice of such further title interest of Borrower Trustor to the Property and (ii) execute, acknowledge, and deliver such instruments, documents, and agreements as may be required by Beneficiary to ratify, confirm, re-affirm, and perfect Beneficiary's interest in such Property, including without limitation, any additional mortgage or amendment requested by Beneficiary to confirm Borrower Trustor's right, title and interest in and to the fee title of Borrower Trustor to the Property. Without the express prior written approval of Beneficiary, Trustor shall not merge the leasehold estate created by the Ground Lease with the fee estate of the Property, and such leasehold estate must always remain separate and distinct, notwithstanding any union of such estates in Ground Lessor, Beneficiary, or Trustor by purchase, operation of law, or otherwise. In the event that Beneficiary acquires fee title and the leasehold estate by foreclosure of this Deed of Trust (or by conveyance or assignment in lieu thereof) or otherwise, then such estates will not merge but will remain separate and distinct for all purposes after such acquisition unless and until Beneficiary elects in writing to merge such estates.

Section 5.3 Agreement to Pay Attorneys' Fees and Expenses.

In the event of any Event of Default (as defined in Section 7.1) hereunder, and if Beneficiary employs attorneys or incurs other expenses for the collection of amounts due hereunder or the enforcement of performance or observance of an obligation or agreement on the part of Trustor in this Deed of Trust, Borrower Trustor agrees that it will, on demand therefor, pay to Beneficiary the reasonable fees of such attorneys and such other reasonable expenses so incurred by Beneficiary. Any such amounts paid by Beneficiary will be added to the Secured Obligations, and will bear interest from the date such expenses are incurred at the Default Rate.

Section 5.4 Payment of the Principal.

Borrower Trustor shall pay to Beneficiary the Principal and any other payments as set forth in the Note in the amounts and by the times set out therein.

Section 5.5 Personal Property.

To the maximum extent permitted by law, the personal property subject to this Deed of Trust is deemed to be fixtures and part of the real property and this Deed of Trust constitutes a fixtures filing under the California Commercial Code. As to any personal property not deemed or permitted to be fixtures, this Deed of Trust constitutes a security agreement under the California Commercial Code.

Section 5.6 Financing Statement.

Borrower Trustor shall execute and deliver to Beneficiary such financing statements pursuant to the appropriate statutes, and any other documents or instruments as are required to convey to Beneficiary a valid perfected security interest in the Security. Borrower Trustor shall perform all acts that Beneficiary reasonably requests so as to enable Beneficiary to maintain a valid perfected security interest in the Security in order to secure the payment of the Note in accordance with its terms. Beneficiary is authorized to file a copy of any such financing statement in any jurisdiction(s) as it deems appropriate from time to time in order to protect the security interest established pursuant to this instrument.

Section 5.7 Operation of the Security.

Borrower Trustor shall operate the Security (and, in case of a transfer of a portion of the Security subject to this Deed of Trust, the transferee shall operate such portion of the Security) in full compliance with the Loan Documents.

Section 5.8 Inspection of the Security.

At any and all reasonable times upon seventy-two (72) hours' notice, Beneficiary and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, may inspect the Security, without payment of charges or fees.

Section 5.9 Nondiscrimination.

Trustor herein covenants by and for itself, its heirs, executors, administrators, and

assigns, and all persons claiming under or through them, that there will be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, age, sex, sexual orientation, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Security, nor will Trustor itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the Security. The foregoing covenants run with the land.

ARTICLE 6 HAZARDOUS WASTE

Trustor shall keep and maintain the Property (including, but not limited to, soil and ground water conditions) in compliance with all Hazardous Materials Laws and shall not cause or permit the Property to be in violation of any Hazardous Materials Law (defined below). Trustor may not cause or permit the use, generation, manufacture, storage or disposal of on, under, or about the Property or transportation to or from the Property of (i) any substance, material, or waste that is petroleum, petroleum-related, or a petroleum by-product, asbestos or asbestos-containing material, polychlorinated biphenyls, flammable, explosive, radioactive, freon gas, radon, or a pesticide, herbicide, or any other agricultural chemical, and (ii) any waste, substance or material defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "toxic materials", "toxic waste", "toxic substances," or words of similar import under any Hazardous Materials Law (collectively referred to hereinafter as "Hazardous Materials"), except such of the foregoing as may be customarily used in construction or operation of a multi-family residential development.

Trustor shall immediately advise Beneficiary in writing if at any time it receives written notice of: (i) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened against Trustor or the Property pursuant to any applicable federal, state or local laws, ordinances, or regulations relating to any Hazardous Materials, health, industrial hygiene, environmental conditions, or the regulation or protection of the environment, and all amendments thereto as of this date and to be added in the future and any successor statute or rule or regulation promulgated thereto ("Hazardous Materials Law"); (ii) all claims made or threatened by any third party against Trustor or the Property relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in clauses (i) and (ii) above are hereinafter referred to as "Hazardous Materials Claims"); and (iii) Trustor's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Property that could cause the Property or any part thereof to be subject to any restrictions on the ownership, occupancy, transferability or use of the Property under any Hazardous Materials Law including but not limited to the provisions of California Health and Safety Code Section 25220 et seq., or any regulation adopted in accordance therewith.

Beneficiary has the right to join and participate in, as a party if it so elects, and be represented by counsel acceptable to Beneficiary (or counsel of its own choice if a conflict exists with Trustor) in, any legal proceedings or actions initiated in connection with any Hazardous

Materials Claims, and to have its reasonable attorneys' fees in connection therewith paid by Trustor.

Trustor shall indemnify and hold harmless Beneficiary and its boardmembers, directors, officers, employees, agents, successors and assigns from and against any loss, damage, cost, fine, penalty, judgment, award, settlement, expense or liability, directly or indirectly arising out of or attributable to: (i) any actual or alleged past or present violation of any Hazardous Materials Law; (ii) any Hazardous Materials Claim; (iii) any actual or alleged past or present use, generation, manufacture, storage, release, threatened release, discharge, disposal, transportation, or presence of Hazardous Materials on, under, or about the Property; (iv) any investigation, cleanup, remediation, removal, or restoration work of site conditions of the Property relating to Hazardous Materials (whether on the Property or any other property); and (v) the breach of any representation of warranty by or covenant of Trustor in this Article, and Section 5.1(l) of the Loan Agreement. Such indemnity must include, without limitation: (x) all consequential damages; (y) the costs of any required or necessary investigation, repair, cleanup or detoxification of the Property and the preparation and implementation of any closure, remedial or other required plans; and (z) all reasonable costs and expenses incurred by Beneficiary in connection with clauses (x) and (y), including but not limited to reasonable attorneys' fees and consultant fees. This indemnification applies whether or not any government agency has issued a cleanup order. Losses, claims, costs, suits, liability, and expenses covered by this indemnification provision include, but are not limited to: (1) losses attributable to diminution in the value of the Property; (2) loss or restriction of use of rentable space on the Property; (3) adverse effect on the marketing of any rental space on the Property; and (4) penalties and fines levied by, and remedial or enforcement actions of any kind issued by any regulatory agency (including but not limited to the costs of any required testing, remediation, repair, removal, cleanup or detoxification of the Property and surrounding properties). This obligation to indemnify will survive reconveyance of this Deed of Trust and will not be diminished or affected in any respect as a result of any notice, disclosure, knowledge, if any, to or by Beneficiary of Hazardous Materials.

Without Beneficiary's prior written consent, which may not be unreasonably withheld, Trustor may not take any remedial action in response to the presence of any Hazardous Materials on, under or about the Property, nor enter into any settlement agreement, consent decree, or other compromise in respect to any Hazardous Material Claims, which remedial action, settlement, consent decree or compromise might, in Beneficiary's reasonable judgment, impairs the value of Beneficiary's security hereunder; provided, however, that Beneficiary's prior consent is not necessary in the event that the presence of Hazardous Materials on, under, or about the Property either poses an immediate threat to the health, safety or welfare of any individual or is of such a nature that an immediate remedial response is necessary and it is not reasonably possible to obtain Beneficiary's consent before taking such action, provided that in such event Trustor notifies Beneficiary as soon as practicable of any action so taken. Beneficiary agrees not to withhold its consent, where such consent is required hereunder, if (i) a particular remedial action is ordered by a court of competent jurisdiction; (ii) Trustor will or may be subjected to civil or criminal sanctions or penalties if it fails to take a required action; (iii) Trustor establishes to the reasonable satisfaction of Beneficiary that there is no reasonable alternative to such remedial action which would result in less impairment of Beneficiary's security hereunder; or (iv) the action has been agreed to by Beneficiary.

Trustor hereby acknowledges and agrees that (i) this Article is intended as Beneficiary's written request for information (and Trustor's response) concerning the environmental condition of the Property as required by California Code of Civil Procedure Section 726.5, and (ii) each representation and warranty in this Deed of Trust or any of the other Loan Documents (together with any indemnity applicable to a breach of any such representation and warranty) with respect to the environmental condition of the property is intended by Beneficiary and Trustor to be an "environmental provision" for purposes of California Code of Civil Procedure Section 736.

In the event that any portion of the Property is determined to be "environmentally impaired" (as that term is defined in California Code of Civil Procedure Section 726.5(e)(3)) or to be an "affected parcel" (as that term is defined in California Code of Civil Procedure Section 726.5(e)(1)), then, without otherwise limiting or in any way affecting Beneficiary's or the Trustee's rights and remedies under this Deed of Trust, Beneficiary may elect to exercise its rights under California Code of Civil Procedure Section 726.5(a) to (1) waive its lien on such environmentally impaired or affected portion of the Property and (2) exercise (a) the rights and remedies of an unsecured creditor, including reduction of its claim against Trustor to judgment, and (b) any other rights and remedies permitted by law. For purposes of determining Beneficiary's right to proceed as an unsecured creditor under California Code of Civil Procedure Section 726.5(a), Trustor will be deemed to have willfully permitted or acquiesced in a release or threatened release of hazardous materials, within the meaning of California Code of Civil Procedure Section 726.5(d)(1), if the release or threatened release of hazardous materials was knowingly or negligently caused or contributed to by any lessee, occupant, or user of any portion of the Property and Trustor knew or should have known of the activity by such lessee, occupant, or user which caused or contributed to the release or threatened release. All costs and expenses, including (but not limited to) attorneys' fees, incurred by Beneficiary in connection with any action commenced under this paragraph, including any action required by California Code of Civil Procedure Section 726.5(b) to determine the degree to which the Property is environmentally impaired, plus interest thereon at the Default Rate until paid, will be added to the indebtedness secured by this Deed of Trust and will be due and payable to Beneficiary upon its demand made at any time following the conclusion of such action.

ARTICLE 7 EVENTS OF DEFAULT AND REMEDIES

Section 7.1 Events of Default.

The following are events of default following the expiration of any applicable notice and cure periods (each an "Event of Default"): (i) failure to make any payment to be paid by Borrower Trustor under the Loan Documents; (ii) failure to observe or perform any of Trustor's other covenants, agreements or obligations under the Loan Documents, including, without limitation, the provisions concerning discrimination; (iii) failure to make any payment or observe or perform any of Trustor's other covenants, agreements, or obligations under any Secured Obligations, which default is not cured within the times and in the manner provided therein; (iv) failure to observe or perform any of Trustor's covenants, agreement or obligations under the Ground Lease and (v) failure to make any payments or observe or perform any of Trustor's other covenants, agreements or obligations under any other debt instrument or regulatory agreement

secured by the Property, which default is not cured within the time and in the manner provided therein.

Section 7.2 Acceleration of Maturity.

If an Event of Default has occurred and is continuing, then at the option of Beneficiary, the amount of any payment related to the Event of Default and all unpaid Secured Obligations are immediately due and payable by Borrower Trustor, and no omission on the part of Beneficiary to exercise such option when entitled to do so may be construed as a waiver of such right.

Section 7.3 Beneficiary's Right to Enter and Take Possession.

If an Event of Default has occurred and is continuing, Beneficiary may:

(a) Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, and without regard to the adequacy of its security, enter upon the Property and take possession thereof (or any part thereof) and of any of the Security, in its own name or in the name of Trustee, and do any acts that it deems necessary or desirable to preserve the value or marketability of the Property, or part thereof or interest therein, increase the income therefrom or protect the security thereof. The entering upon and taking possession of the Security will not cure or waive any Event of Default or Notice of Sale (as defined in Section 7.3(c), below) hereunder or invalidate any act done in response to such Event of Default or pursuant to such Notice of Sale, and, notwithstanding the continuance in possession of the Security, Beneficiary will be entitled to exercise every right provided for in this Deed of Trust, or by law upon occurrence of any Event of Default, including the right to exercise the power of sale;

(b) Commence an action to foreclose this Deed of Trust as a mortgage, appoint a receiver, or specifically enforce any of the covenants hereof;

(c) Deliver to Trustee a written declaration of an Event of Default and demand for sale, and a written notice of default and election to cause Trustor's interest in the Security to be sold ("Notice of Sale"), which notice Trustee or Beneficiary shall cause to be duly filed for record in the Official Records of Contra Costa County; or

(d) Exercise all other rights and remedies provided herein, in the instruments by which Trustor acquires title to any Security, or in any other document or agreement now or hereafter evidencing, creating or securing the Secured Obligations.

Section 7.4 Foreclosure By Power of Sale.

Should Beneficiary elect to foreclose by exercise of the power of sale herein contained, Beneficiary shall deliver to Trustee the Notice of Sale and shall deposit with Trustee this Deed of Trust which is secured hereby (and the deposit of which will be deemed to constitute evidence that the Secured Obligations are immediately due and payable), and such receipts and evidence of any expenditures made that are additionally secured hereby as Trustee may require.

(a) Upon receipt of the Notice of Sale from Beneficiary, Trustee shall cause to be recorded, published and delivered to Trustor such Notice of Sale as is then required by law and by this Deed of Trust. Trustee shall, without demand on Trustor, after the lapse of that amount of time as is then required by law and after recordation of such Notice of Sale as required by law, sell the Security, at the time and place of sale set forth in the Notice of Sale, whether as a whole or in separate lots or parcels or items, as Trustee deems expedient and in such order as it determines, unless specified otherwise by Trustor according to California Civil Code Section 2924g(b), at public auction to the highest bidder, for cash in lawful money of the United States payable at the time of sale. Trustee shall deliver to such purchaser or purchasers thereof its good and sufficient deed or deeds conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed or any matters of facts will be conclusive proof of the truthfulness thereof. Any person, including, without limitation, Trustor, Trustee or Beneficiary, may purchase at such sale.

(b) After deducting all reasonable costs, fees and expenses of Trustee, including costs of evidence of title in connection with such sale, Trustee shall apply the proceeds of sale to payment of: (i) the unpaid Principal amount of the Note; (ii) all other Secured Obligations owed to Beneficiary under the Loan Documents; (iii) all other sums then secured hereby; and (iv) the remainder, if any, to Borrower Trustor.

(c) Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter, and without further notice make such sale at the time fixed by the last postponement, or may, in its discretion, give a new Notice of Sale.

Section 7.5 Receiver.

If an Event of Default occurs and is continuing, Beneficiary, as a matter of right and without further notice to Trustor or anyone claiming under the Security, and without regard to the then value of the Security or the interest of Trustor therein, may apply to any court having jurisdiction to appoint a receiver or receivers of the Security (or a part thereof), and Trustor hereby irrevocably consents to such appointment and waives further notice of any application therefor. Any such receiver or receivers will have all the usual powers and duties of receivers in like or similar cases, and all the powers and duties of Beneficiary in case of entry as provided herein, and will continue as such and exercise all such powers until the date of confirmation of sale of the Security, unless such receivership is sooner terminated.

Section 7.6 Remedies Cumulative.

No right, power or remedy conferred upon or reserved to Beneficiary by this Deed of Trust is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy will be cumulative and concurrent and will be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity.

Section 7.7 No Waiver.

(a) No delay or omission of Beneficiary to exercise any right, power or remedy accruing upon any Event of Default will exhaust or impair any such right, power or

remedy, and may not be construed to be a waiver of any such Event of Default or acquiescence therein; and every right, power and remedy given by this Deed of Trust to Beneficiary may be exercised from time to time and as often as may be deemed expeditious by Beneficiary. Beneficiary's express or implied consent to breach, or waiver of, any obligation of Trustor hereunder will not be deemed or construed to be a consent to any subsequent breach, or further waiver, of such obligation or of any other obligations of Trustor hereunder. Failure on the part of Beneficiary to complain of any act or failure to act or to declare an Event of Default, irrespective of how long such failure continues, will not constitute a waiver by Beneficiary of its right hereunder or impair any rights, power or remedies consequent on any Event of Default by Trustor.

(b) If Beneficiary (i) grants forbearance or an extension of time for the payment or performance of any Secured Obligation, (ii) takes other or additional security or the payment of any sums secured hereby, (iii) waives or does not exercise any right granted in the Loan Documents, (iv) releases any part of the Security from the lien of this Deed of Trust, or otherwise changes any of the terms, covenants, conditions or agreements in the Loan Documents, (v) consents to the granting of any easement or other right affecting the Security, or (vi) makes or consents to any agreement subordinating the lien hereof, any such act or omission will not release, discharge, modify, change or affect the original liability under this Deed of Trust, or any other obligation of Trustor or any subsequent purchaser of the Security or any part thereof, or any maker, co-signer, endorser, surety or guarantor (unless expressly released); nor will any such act or omission preclude Beneficiary from exercising any right, power or privilege herein granted or intended to be granted in any Event of Default then made or of any subsequent Event of Default, nor, except as otherwise expressly provided in an instrument or instruments executed by Beneficiary, will the lien of this Deed of Trust be altered thereby.

Section 7.8 Suits to Protect the Security.

Beneficiary has the power to (a) institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Security and the rights of Beneficiary as may be unlawful or any violation of this Deed of Trust, (b) preserve or protect its interest (as described in this Deed of Trust) in the Security, and (c) restrain the enforcement of or compliance with any legislation or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement for compliance with such enactment, rule or order would impair the Security thereunder or be prejudicial to the interest of Beneficiary.

Section 7.9 Trustee May File Proofs of Claim.

In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting Trustor, its creditors or its property, Beneficiary, to the extent permitted by law, will be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Beneficiary allowed in such proceedings and for any additional amount that becomes due and payable by Trustor hereunder after such date.

Section 7.10 Waiver.

Trustor waives presentment, demand for payment, notice of dishonor, notice of protest

and nonpayment, protest, notice of interest on interest and late charges, and diligence in taking any action to collect any Secured Obligations or in proceedings against the Security, in connection with the delivery, acceptance, performance, default, endorsement or guaranty of this Deed of Trust.

ARTICLE 8 MISCELLANEOUS

Section 8.1 Amendments.

This Deed of Trust cannot be waived, changed, discharged or terminated orally, but only by an instrument in writing signed by Beneficiary and Trustor.

Section 8.2 Reconveyance by Trustee.

Upon written request of Beneficiary stating that all Secured Obligations have been paid or forgiven, and all obligations under the Loan Documents have been performed in full, and upon surrender of this Deed of Trust to Trustee for cancellation and retention, and upon payment by Trustor of Trustee's reasonable fees, Trustee shall reconvey the Security to Trustor, or to the person or persons legally entitled thereto.

Section 8.3 Notices.

If at any time after the execution of this Deed of Trust it becomes necessary or convenient for one of the parties hereto to serve any notice, demand or communication upon the other party, such notice, demand or communication must be in writing and is to be served personally or by depositing the same in the registered United States mail, return receipt requested, postage prepaid and (1) if intended for Beneficiary is to be addressed to:

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

and (2) if intended for Borrower Trustor is to be addressed to:

Riverhouse Associates, a California Limited Partnership
c/o Eden Housing, Inc.
22645 Grand Street
Hayward, CA 94541
Attention: Chief of Real Estate Development

and (3) if intended for Non-Borrower Trustor is to be addressed to:

Eden Housing, Inc.

22645 Grand Street
Hayward, CA 94541
Attention: Chief of Real Estate Development

Any notice, demand or communication will be deemed given, received, made or communicated on the date personal delivery is effected or, if mailed in the manner herein specified, on the delivery date or date delivery is refused by the addressee, as shown on the return receipt. Either party may change its address at any time by giving written notice of such change to Beneficiary or Trustor as the case may be, in the manner provided herein, at least ten (10) days prior to the date such change is desired to be effective.

Section 8.4 Successors and Joint Trustors.

Where an obligation created herein is binding upon Trustor, the obligation also applies to and binds any transferee or successors in interest. Where the terms of the Deed of Trust have the effect of creating an obligation of Trustor and a transferee, such obligation will be deemed to be a joint and several obligation of Trustor and such transferee. Where Trustor is more than one entity or person, all obligations of Trustor will be deemed to be a joint and several obligation of each and every entity and person comprising Trustor.

Section 8.5 Captions.

The captions or headings at the beginning of each Section hereof are for the convenience of the parties and are not a part of this Deed of Trust.

Section 8.6 Invalidity of Certain Provisions.

Every provision of this Deed of Trust is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court or other body of competent jurisdiction, such illegality or invalidity will not affect the balance of the terms and provisions hereof, which terms and provisions will remain binding and enforceable. If the lien of this Deed of Trust is invalid or unenforceable as to any part of the debt, or if the lien is invalid or unenforceable as to any part of the Security, the unsecured or partially secured portion of the debt, and all payments made on the debt, whether voluntary or under foreclosure or other enforcement action or procedure, will be considered to have been first paid or applied to the full payment of that portion of the debt that is not secured or partially secured by the lien of this Deed of Trust.

Section 8.7 Governing Law.

This Deed of Trust is governed by the laws of the State of California.

Section 8.8 Gender and Number.

In this Deed of Trust the singular includes the plural and the masculine includes the feminine and neuter and vice versa, if the context so requires.

Section 8.9 Deed of Trust, Mortgage.

Any reference in this Deed of Trust to a mortgage also refers to a deed of trust and any reference to a deed of trust also refers to a mortgage.

Section 8.10 Actions.

Trustor shall appear in and defend any action or proceeding purporting to affect the Security.

Section 8.11 Substitution of Trustee.

Beneficiary may from time to time substitute a successor or successors to any Trustee named herein or acting hereunder to execute this Trust. Upon such appointment, and without conveyance to the successor trustee, the latter will be vested with all title, powers, and duties conferred upon any Trustee herein named or acting hereunder. Each such appointment and substitution is to be made by written instrument executed by Beneficiary, containing reference to this Deed of Trust and its place of record, which, when duly recorded in the proper office of the county or counties in which the Property is situated, will be conclusive proof of proper appointment of the successor trustee.

Section 8.12 Statute of Limitations.

The pleading of any statute of limitations as a defense to any and all obligations secured by this Deed of Trust is hereby waived to the full extent permissible by law.

Section 8.13 Acceptance by Trustee.

Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made public record as provided by law. Except as otherwise provided by law, the Trustee is not obligated to notify any party hereto of a pending sale under this Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee is a party unless brought by Trustee.

Section 8.14 Tax Credit Provisions.

Notwithstanding anything to the contrary contained herein or in any documents secured by this Deed of Trust or contained in any subordination agreement, and to the extent applicable, Beneficiary acknowledges and agrees that in the event of a foreclosure or deed-in-lieu of foreclosure (collectively, "Foreclosure") with respect to the Security encumbered by this Deed of Trust, the following rule contained in 26 U.S.C. Section 42(h)(6)(E)(ii), as amended, applies:

For a period of three (3) years from the date of Foreclosure, with respect to an existing tenant of any low-income unit, (i) such tenant may not be subject to eviction or termination of their tenancy (other than for good cause), (ii) nor may such tenant's gross rent with respect to such unit be increased, except as otherwise permitted under Section 42 of the Internal Revenue Code.

[signatures on following page]

IN WITNESS WHEREOF, Borrower Trustor and Non-Borrower Trustor have executed this Deed of Trust as of the day and year first above written.

BORROWER TRUSTOR:

RIVERHOUSE ASSOCIATES,
A CALIFORNIA LIMITED PARTNERSHIP

By: Ellis Lake Townhomes, Inc., a California
nonprofit public benefit corporation,
its general partner

By: _____
Andrea Osgood,
Chief of Real Estate Development &
Executive Vice President

NON-BORROWER TRUSTOR:

EDEN HOUSING, INC., a California
nonprofit public benefit corporation,

By: _____
Andrea Osgood,
Chief of Real Estate Development &
Executive Vice President

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

STATE OF CALIFORNIA)
)
COUNTY OF _____)

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

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

WITNESS my hand and official seal.

Name: _____
Notary Public

EXHIBIT A

LEGAL DESCRIPTION

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

TRACT ONE:

PARCEL ONE:

Lot 1 and 2 and the North 1/2 of Lots 7 and 8, Block 22, of the Original Survey of the Town of Martinez, as per maps thereof on file in the Office of the Recorder of the County of Contra Costa, State of California, described as follows:

Beginning at the intersection of the south line of Main Street with the west line of Alhambra Avenue, formerly Smith Street; thence from said point of beginning, southerly along the west line of Alhambra Avenue, 150 feet to the south line of the parcel of land described in the Deed to F. A. Oehm, recorded December 31, 1924, in Book 479, Deeds, Page 354; thence westerly along the south line of said parcel of land, 479 D 354, 100 feet to the line between Lots 6 and 7 in said block; thence northerly along the west line of said Lots 7 and 2, 150 feet to the south line of Main Street; thence easterly along said south line of Main Street, 100 feet to the point of beginning.

PARCEL TWO:

Lot 3, in Block 22, of Original Survey of the Town of Martinez, as per maps thereof on file in the office of the Recorder of the County of Contra Costa, State of California.

Excepting therefrom all buildings and improvements located thereon, which buildings are and shall remain real property, as conveyed in the Deed dated March 14, 1991 from Housing for Independent People, Inc., a California nonprofit public benefit corporation to Riverhouse Associates, a California limited partnership recorded August 16, 1991 in Book 16809 Page 250, Instrument No. 91-166225 of Official Records.

APN: 373-225-002-6 and 373-225-003-4

EXHIBIT B

NON-BORROWER TRUSTOR RIDER TO DEED OF TRUST

This Non-Borrower Trustor Rider to Deed of Trust ("Rider") is part of the Deed of Trust executed concurrently herewith by Riverhouse Associates, a California Limited Partnership ("Borrower Trustor"), and Eden Housing, Inc., a California nonprofit public benefit corporation ("Non-Borrower Trustor") (collectively, "Trustor"), in favor of the County of Contra Costa, a political subdivision of the State of California (the "Beneficiary"), covering that certain real property located in the County of Contra Costa, State of California, as more particularly described in the Deed of Trust. The Deed of Trust secures a promissory note to Beneficiary in the principal amount of Two Million Dollars (\$2,000,000) ("Note") executed by Borrower Trustor.

All initial capitalized terms when used herein without definition have the meanings given such terms in the Deed of Trust. The provisions of this Rider supplement the Deed of Trust. If there is a conflict between the Deed of Trust and this Rider, the Rider controls.

In addition to the covenants and agreements made in the Deed of Trust and Note, Borrower Trustor, Non-Borrower Trustor, and Beneficiary further covenant and agree as follows:

1. Limitation of Liability. By the execution and delivery of this Deed of Trust, Non-Borrower Trustor intends to effect a full and complete subordination of its fee interest in the Property and of all of its rights and interests in any improvements on the Property to the rights of Beneficiary under the Loan Documents. Non-Borrower Trustor is executing the Deed of Trust only for the purpose of encumbering all of Non-Borrower Trustor's interest in the Property. In accordance with the terms and provisions in the Deed of Trust, Non-Borrower Trustor is not personally liable for the payment of the Note or the payment of sums due under the Deed of Trust or for any deficiency remaining after the foreclosure of its interest in the Property. Beneficiary may not seek to obtain or enforce a monetary claim upon any of the general or specific assets, including any funds, bonds, or revenue sources whatsoever, of Non-Borrower Trustor, its officers, directors and employees. The foregoing limitation of personal liability is subject at all times to the following exceptions and qualifications:

(a) Non-Borrower Trustor is fully and personally liable for and to the extent of Non-Borrower Trustor's obligations for each of the following:

(i) Any losses, damages, or costs (including without limitation attorney's fees) incurred by Beneficiary as a result of fraud, misrepresentation or waste by Non-Borrower Trustor;

(ii) Retention by Non-Borrower Trustor of any insurance proceeds, condemnation awards, damages for other public actions, surety bonds, or other similar funds or payments attributable to the Property covered by this Deed of Trust and the Loan Documents which

under the terms of the Deed of Trust and the Loan Documents should have been paid to Beneficiary in connection therewith, including, but not limited to, any attorneys' fees;

(iii) The removal or demolition by Non-Borrower Trustor or the intentional damage or destruction by Non-Borrower Trustor of any property covered by this Deed of Trust or the Loan Documents to which Beneficiary has not consented in writing or for which Beneficiary is not fully compensated by insurance proceeds or condemnation awards; and

(iv) The failure, due to the negligence, misrepresentation, or fraud of Non-Borrower Trustor, of this Deed of Trust to constitute a lien upon the Property as required by the Loan Agreement.

(b) Nothing contained in this section will affect or limit the ability of Beneficiary to enforce any of its rights or remedies with respect to the Property encumbered by this Deed of Trust and the Loan Documents.

(c) Nothing contained in this section will affect or limit the rights of Beneficiary to bring any suit or action against Borrower Trustor its officers, employees, or agents.

2. Conditions to Exercise of Rights. Non-Borrower Trustor hereby waives any right it may now or hereafter have to require Beneficiary, as a condition to the exercise of any remedy or other right against Non-Borrower Trustor hereunder or under any other document executed by Non-Borrower Trustor in connection with any Secured Obligation: (a) to proceed against Borrower Trustor or other person, or against any other collateral assigned to Beneficiary by Borrower or other person; (b) to pursue any other right or remedy in Beneficiary's power; (c) to give notice of the time, place or terms of any public or private sale of real or personal property collateral assigned to Beneficiary by Borrower Trustor or other person (other than Trustor), or otherwise to comply with the California Commercial Code (as modified or remodified from time to time) with respect to any such personal property collateral; or (d) to make or give (except as otherwise expressly provided in the Loan Documents) any presentment, demand, protest, notice of dishonor, notice of protest or other demand or notice of any kind in connection with any Secured Obligation or any collateral (other than the Property) for any Secured Obligation.

3. Defenses. Non-Borrower Trustor hereby waives any defense it may now or hereafter have that relates to: (a) any disability or other defense of Borrower Trustor or other person; (b) the cessation, from any cause other than full performance, of the obligations of Borrower Trustor or any other person; (c) the application of the proceeds of any Secured Obligation, by Borrower Trustor or other person, for purposes other than the purposes represented to Non-Borrower Trustor by Borrower Trustor or otherwise intended or understood by Non-Borrower Trustor or Borrower Trustor, (d) any act or omission by Beneficiary that directly or indirectly results in or contributes to the release of Borrower Trustor or other person or any collateral for any Secured Obligation; (e) the unenforceability or invalidity of any collateral assignment (other than the Deed of Trust) or guaranty with respect to any Secured Obligation, or the lack of perfection or continuing perfection or lack of priority of any lien (other than the lien hereof) that secures any Secured Obligation; (f) any failure of Beneficiary to marshal assets in favor of Non-Borrower Trustor or any other person; (g) any modification of

any Secured Obligation, including any renewal, extension, acceleration or increase in interest rate; or (h) any and all rights and defenses arising out of an election of remedies by Beneficiary, even though that election of remedies, such as a nonjudicial foreclosure with respect to security for a guaranteed obligation, has destroyed Non-Borrower Trustor's rights of subrogation and reimbursement against the principal by the operation of Section 580d of the California Code of Civil Procedure or otherwise; (i) any law that provides that the obligation of a surety or guarantor must neither be larger in amount nor in other respects more burdensome than that of the principal or that reduces a surety's or guarantor's obligation in proportion to the principal obligation; (j) any failure of Beneficiary to file or enforce a claim in any bankruptcy or other proceeding with respect to any person; (k) the election by Beneficiary, in any bankruptcy proceeding of any person, of the application or non-application of Section 1111(b)(2) of the United States Bankruptcy Code; (l) any extension of credit or the grant of any lien under Section 364 of the United States Bankruptcy Code; (m) any use of cash collateral under Section 363 of the United States Bankruptcy Code; (n) the benefit of a fair market value hearing to determine the size of a deficiency judgment following any trustee's foreclosure sale; or (o) any agreement or stipulation with respect to the provision of adequate protection in any bankruptcy proceeding of any person. Without limiting the generality of the foregoing, Non-Borrower Trustor expressly waives to the extent permitted by law any and all rights and defenses that might otherwise be available to a guarantor under California Civil Code Sections 2787 to 2855, inclusive, 2899 and 3433 and under California Code of Civil Procedure Sections 580a, 580b, 580d and 726, or any of such sections.

4. Subrogation. Non-Borrower Trustor hereby waives, until such time as all Secured Obligations are fully performed: (a) any right of subrogation against Borrower Trustor that relates to any Secured Obligation; (b) any right to enforce any remedy Non-Borrower Trustor may now or hereafter have against Borrower Trustor that relates to any Secured Obligation; and (c) any right to participate in any collateral now or hereafter assigned to Beneficiary with respect to any Secured Obligation.

5. Borrower Trustor Information. Non-Borrower Trustor warrants and agrees: (a) that Beneficiary would not have made the Loan but for this Deed of Trust; (b) that Non-Borrower Trustor has not relied, and will not rely, on any representations or warranties by Beneficiary to Non-Borrower Trustor with respect to the credit worthiness of Borrower Trustor or the prospects of repayment of any Secured Obligation from sources other than the Property; (c) that Non-Borrower Trustor has established and/or will establish adequate means of obtaining from Borrower Trustor on a continuing basis financial and other information pertaining to the business operations, if any, and financial condition of Borrower Trustor; (d) that Non-Borrower Trustor assumes full responsibility for keeping informed with respect to Borrower Trustor's business operations, if any, and financial condition; (e) that Beneficiary has no duty to disclose or report to Non-Borrower Trustor any information now or hereafter known to Beneficiary with respect to Borrower Trustor, including, without limitation, any information relating to any of Borrower Trustor's business operations or financial condition; and (f) that Non-Borrower Trustor is familiar with the terms and conditions of the Loan Documents and consents to all provisions thereof.

6. Reinstatement of Lien. Beneficiary's rights hereunder will be reinstated and revived, and the enforceability of this Deed of Trust will continue, with respect to any amount at any time paid on account of any Secured Obligation which Beneficiary is thereafter required to restore or return in connection with a bankruptcy, insolvency, reorganization or similar proceeding with respect to Borrower Trustor.

7. Subordination. Until all of the Secured Obligations have been fully paid and performed: (a) Non-Borrower Trustor agrees that all existing and future indebtedness and other obligations of Borrower Trustor to Non-Borrower Trustor (collectively, the "Subordinated Debt") is to be subordinated to all Secured Obligations which constituted obligations of Borrower Trustor, and the payment thereof is deferred in right of payment to the prior payment and performance of all such Secured Obligations; (b) Non-Borrower Trustor may not collect or receive any cash or non-cash payments on any Subordinated Debt or transfer all or any portion of the Subordinated Debt; and (c) in the event that, notwithstanding the foregoing, any payment by, or distribution of assets of, Borrower Trustor with respect to any Subordinated Debt is received by Non-Borrower Trustor, such payment or distribution will be held in trust and immediately paid over to Beneficiary, is hereby assigned to Beneficiary as security for the Secured Obligations, and will be held by Beneficiary in an interest bearing account until all Secured Obligations have been fully paid and performed.

8. Lawfulness and Reasonableness. Non-Borrower Trustor warrants that all of the waivers in this Deed of Trust are made with full knowledge of their significance, and of the fact that events giving rise to any defense or other benefit waived by Non-Borrower Trustor may destroy or impair rights which Non-Borrower Trustor would otherwise have against Beneficiary, Borrower Trustor and other persons, or against collateral. Non-Borrower Trustor agrees that all such waivers are reasonable under the circumstances and further agrees that, if any such waiver is determined (by a court of competent jurisdiction) to be contrary to any law or public policy, the other waivers herein shall nonetheless remain in full force and effect.

9. Enforceability. Non-Borrower Trustor hereby acknowledges that: (a) the obligations undertaken by Non-Borrower Trustor in this Deed of Trust are complex in nature, and (b) numerous possible defenses to the enforceability of these obligations may presently exist and/or may arise hereafter, and (c) as part of Beneficiary's consideration for entering into this transaction, Beneficiary has specifically bargained for the waiver and relinquishment by Non-Borrower Trustor of all such defenses, and (d) Non-Borrower Trustor has had the opportunity to seek and receive legal advice from skilled legal counsel in the area of financial transactions of the type contemplated herein. Given all of the above, Non-Borrower Trustor does hereby represent and confirm to Beneficiary that Non-Borrower Trustor is fully informed regarding, and that Non-Borrower Trustor does thoroughly understand: (i) the nature of all such possible defenses, and (ii) the circumstances under which such defenses may arise, and (iii) the benefits which such defenses might confer upon Non-Borrower Trustor, and (iv) the legal consequences to Non-Borrower Trustor of waiving such defenses. Non-Borrower Trustor acknowledges that Non-Borrower Trustor makes this Deed of Trust with the intent that this Deed of Trust and all of the informed waivers herein will each and all be fully enforceable by Beneficiary, and that Beneficiary is induced to enter into this transaction in material reliance upon the presumed full enforceability thereof.

10. Effect on Deed of Trust. Except as supplemented herein, all provisions of the Deed of Trust remain in full force and effect.

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IN WITNESS WHEREOF, the undersigned have executed this Rider to the Deed of Trust the day and year first herein above written.

BORROWER TRUSTOR:

**RIVERHOUSE ASSOCIATES,
A CALIFORNIA LIMITED PARTNERSHIP**

By: Ellis Lake Townhomes, Inc., a California
nonprofit public benefit corporation,
its general partner

By: _____
Andrea Osgood,
Chief of Real Estate Development &
Executive Vice President

NON-BORROWER TRUSTOR:

**EDEN HOUSING, INC., a California
nonprofit public benefit corporation,**

By: _____
Andrea Osgood,
Chief of Real Estate Development &
Executive Vice President