

RECORDING REQUESTED PURSUANT
AND WHEN RECORDED MAIL TO:

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

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

SUBORDINATION AND INTERCREDITOR AGREEMENT
(Legacy Court)

This Subordination and Intercreditor Agreement (the "Agreement") is dated October _____, 2024 and is among the County of Contra Costa, a political subdivision of the State of California (the "County"), the City of Richmond, a municipal corporation and a charter city (the "City"), and Legacy Court, L.P., a California limited partnership ("Borrower"), with reference to the following facts:

RECITALS

A. Defined terms used but not defined in these recitals are as defined in Section 1 of this Agreement or in the County Loan Agreement.

B. Borrower acquired from Community Housing Development Corporation of North Richmond, a California nonprofit public benefit corporation ("CHDC"), that certain real property described as Parcels A, B, and C as shown on Parcel Maps MS _____-24, Filed _____, 2024 in Book _____ of Parcel Maps, Page _____ located at Fred Jackson Way between Willard Avenue and Duboce Avenue, City of Richmond, County of Contra Costa, State of California, as more particularly described in Exhibit A (the "Property"). Borrower intends to construct forty-three (43) housing units on the Property, forty-two (42) of which are for rental to extremely low, very low-, and low-income households, and one (1) manager's unit (the "Development"). The Development, as well as all landscaping, roads and parking spaces on the Property and any additional improvements on the Property, are the "Improvements".

C. The County has agreed to provide a loan to Borrower of Four Million Three Hundred Eighty-Two Thousand Forty-Seven Dollars (\$4,382,047) in HOME-ARP Funds (the "HOME-ARP Loan"), One Million Dollars (\$1,000,000) in PLHA Funds (the "PLHA Loan"), and One Million Four Hundred Twenty-One Thousand Dollars (\$1,421,000) in Measure X Funds (the "Measure X Loan") for a total loan amount of Six Million Eight Hundred Three Thousand Forty-Seven Dollars (\$6,803,047) (the "County Loan").

D. The County Loan is evidenced by the following documents: (i) a Development Loan Agreement between the County and Borrower of even date herewith (the "County Loan");

Agreement"), (ii) a promissory note executed by Borrower of even date herewith for the benefit of the County in the amount of the HOME-ARP Loan (the "HOME-ARP Note"), (iii) a promissory note executed by Borrower of even date herewith for the benefit of the County in the amount of the PLHA Loan (the "PLHA Note"), (iv) a promissory note executed by Borrower of even date herewith for the benefit of the County in the amount of the Measure X Loan (together with the HOME-ARP Note and the PLHA Note, the "County Notes"), (v) a Deed of Trust with Assignment of Rents, Security Agreement, and Fixture Filing of even date herewith among Borrower, as trustor, Old Republic Title Company, as trustee, and the County, as beneficiary, recorded against the Property concurrently herewith securing the County Loan (the "County Deed of Trust"), (vi) a County/PLHA/Measure X Regulatory Agreement and Declaration of Restrictive Covenants of even date herewith, between the County and Borrower recorded against the Property concurrently herewith (the "County/PLHA Regulatory Agreement"), and (vii) a HOME/PLHA/Measure X Regulatory Agreement and Declaration of Restrictive Covenants of even date herewith, between the County and Borrower recorded against the Property concurrently herewith (the "HOME/PLHA/Measure X Regulatory Agreement"). The County Deed of Trust, the County/PLHA/Measure X Regulatory Agreement, and the HOME/PLHA/Measure X Regulatory Agreement are collectively referred to as the "County Recorded Documents."

E. The City previously provided CHDC a loan in the approximate amount of One Million Ninety-Nine Thousand Five Hundred Ninety-Three Dollars (\$1,099,593) (the "City Loan"), as assigned to Borrower pursuant to that certain Assignment, Assumption, and Amendment of Loan Documents, and Consent to Transfer of Property by and among CHDC, the City, and Borrower, dated as of October 1, 2024 (the "City Assignment"). The City Loan is evidenced by the following documents (among others, and as assigned to Borrower pursuant to the City Assignment): (i) a predevelopment loan agreement among CHDC, the City, and the former Richmond Redevelopment Agency dated September 30, 2010 (the "City Loan Agreement") (ii) an Amended and Restated Deed of Trust and Security Agreement, and Fixture Filing dated as of September 22, 2010, executed by CHDC as trustor for the benefit of City and the former Richmond Redevelopment Agency, and recorded against the Property on October 6, 2010 as Instrument No. 2010-215530, as amended by an Amendment to Deed of Trust and Loan Documents dated as of April 30, 2024 and recorded against the Property on May 6, 2024 as Document No. 2024-0042189, and as amended by a Second Amendment to Deed of Trust dated as of October 1, 2024, and executed by Borrower for the benefit of the City (the "City Deed of Trust"), (iii) an Amended and Restated Secured Promissory Note executed by Borrower dated October 1, 2024 for the benefit of the City in the amount of the City Loan (the "City Note"), and (iv) an Affordable Housing Regulatory Agreement and Declaration of Restrictive Covenants dated as of December 16, 2009 and recorded against the Property on December 23, 2009 as Instrument No., 2009-0299877, as amended, (the "City Regulatory Agreement"). The City Deed of Trust and the City Regulatory Agreement are collectively referred to as the "City Recorded Documents." Pursuant to the City Loan Agreement, the City provided a grant of CDBG-DR funds in the amount of One Hundred Thirty-Six Thousand Dollars (\$136,000) (the "City Grant") which was used for demolition and asbestos removal on the Property.

F. The City and the County desire to (i) subordinate the City Recorded Documents to the County Recorded Documents, and (iii) divide the Lenders' Share of Residual Receipts and Local Lenders' Share of Residual Receipts, as described herein.

NOW, THEREFORE, the Parties agree as follows:

AGREEMENT

1. Definitions. The following terms have the following meanings:
 - (a) "Annual City Financing Payment" has the meaning in Section 2(b).
 - (b) "Annual County Loan Payment" has the meaning in Section 2(a).
 - (c) "Annual Operating Expenses" means for each calendar year, the following costs reasonably and actually incurred for operation and maintenance of the Development:
 - i. property taxes and assessments imposed on the Development;
 - ii. debt service and servicing fees currently due on a non-optional basis (excluding debt service due from residual receipts or surplus cash of the Development) on the Bank Permanent Loan;
 - iii. on-site service provider fees for tenant social services, provided the County and City have approved, in writing, the plan and budget for such services before such services begin;
 - iv. payment to HCD of a portion of the accrued interest on the HCD NPLH Loan pursuant to California Code of Regulations, Title 25, Section 7308;
 - v. property management fees and reimbursements, on-site property management office expenses, and salaries of property management and maintenance personnel, not to exceed amounts that are standard in the industry and which are pursuant to a management contract approved by the County and the City;
 - vi. the Partnership Management/Asset Fee;
 - vii. fees for accounting, audit, and legal services incurred by Borrower's general partner in the asset management of the Development, not to exceed amounts that are standard in the industry, to the extent such fees are not included in the Partnership Management/Asset Fee;
 - viii. premiums for insurance required for the Improvements to satisfy the requirements of any lender of Approved Financing;
 - ix. utility services not paid for directly by tenants, including water, sewer, and trash collection;
 - x. maintenance and repair expenses and services;
 - xi. any annual license or certificate of occupancy fees required for operation of the Development;

- xii. security services;
- xiii. advertising and marketing;
- xiv. cash deposited into the Replacement Reserve Account in the amount set forth in Section 4.1(a) of the County Loan Agreement;
- xv. cash deposited into the Operating Reserve Account to maintain the amount set forth in Section 4.1(b) of the County Loan Agreement (excluding amounts deposited to initially capitalize the account);
- xvi. payment of any previously unpaid portion of Priority Portion of Developer Fee (without interest), not to exceed the amount set forth in Section 3.18 of the County Loan Agreement;
- xvii. extraordinary operating costs specifically approved in writing by the County and the City;
- xviii. the HOME Monitoring Fee; and
- xix. payments of deductibles in connection with casualty insurance claims not normally paid from reserves, the amount of uninsured losses actually replaced, repaired or restored, and not normally paid from reserves, and other ordinary and reasonable operating expenses approved in writing by the County and the City and not listed above.

Annual Operating Expenses do not include the following: depreciation, amortization, depletion or other non-cash expenses, initial deposits to capitalize a reserve account, any amount expended from a reserve account, and any capital cost associated with the Development.

(d) "Approved Financing" means all of the following loans, grants, equity, and operating subsidy obtained by Borrower and approved by the County and the City for the purpose of financing the acquisition of the Property and construction of the Development in addition to the County Loan and the City Financing:

- i. construction loan from the Bank in the amount of \$ _____, (the "Bank Construction Loan"), which will convert to a permanent loan in the approximate amount of _____ Dollars (\$ _____) (the "Bank Permanent Loan");
- ii. permanent loan from HCD of No Place Like Home Program funds in the amount of Three Million Sixty-Eight Thousand Seven Hundred Eighty-Six Dollars (\$3,068,786) (the "HCD NPLH Loan");
- iii. construction loan from Eden Housing, Inc. of State of California earmark funds in the amount of Three-Million Dollars (\$3,000,000) (the "Eden Sponsor Loan");

iv. construction loan from CHDC of City grant funds in the amount of Two Hundred Sixty-Nine Thousand Seven Hundred Ninety-Two Dollars (\$269,792), and Department of Toxic Substance and Control funds in the amount of Four Hundred Sixty-Four Thousand Nine Hundred Forty Dollars (\$464,940) (the "CHDC Sponsor Loan");

v. Low Income Housing Tax Credit investor equity funds in the approximate amount of _____ Dollars (\$[22,854,969]) (the "Tax Credit Investor Equity") provided by the Investor Limited Partner; and

vi. capital contribution from Borrowers' general partner in the amount of \$100 (the "GP Capital Contribution").

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

(f) "Bank" means Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, and its successors and assigns.

(g) "Bank Construction Loan" has the meaning set forth in Section 1(d)(i).

(h) "Bank Permanent Loan" has the meaning set forth in Section 1(d)(i).

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

(j) "CHDC" has the meaning set forth in Paragraph B of the Recitals.

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

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

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

(n) "City Financing" means the sum of the City Grant and the City Loan.

(o) "City Grant" has the meaning set forth in Paragraph E of the Recitals.

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

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

(r) "City Note" has the meaning set forth in Paragraph E of the Recitals.

(s) "City Prorata Percentage" means the result, expressed as a percentage, obtained by dividing the City Financing minus any Special City Financing Repayment, by the sum of (i) the County Loan minus any Special County Loan Repayment, (ii) the City Financing

minus any Special City Financing Repayment, and (iii) the HCD NPLH Loan, to the extent all such funds are disbursed.

(t) "City Recorded Documents" has the meaning set forth in Paragraph E of the Recitals.

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

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

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

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

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

(z) "County Notes" has the meaning set forth in Paragraph D of the Recitals.

(aa) "County Recorded Documents" has the meaning set forth in Paragraph D of the Recitals.

(bb) "Default Rate" means a rate of interest equal to the lesser of the maximum rate permitted by law and ten percent (10%) per annum.

(cc) "Development" has the meaning set forth in Paragraph B of the Recitals.

(dd) "Eden Sponsor Loan" has the meaning set forth in Section 1(d)(iii).

(ee) "Fifteen Year Compliance Period" means the fifteen (15)-year compliance period as described in Section 42(i)(1) of the Internal Revenue Code of 1986, as amended.

(ff) "Final Cost Certification" means the Final Cost Certification Sources and Uses of Funds prepared by Borrower for the Development that (1) Borrower submits to the California Tax Credit Allocation Committee, and (2) has been prepared using generally accepted accounting standards in effect in the United States of America from time to time, consistently applied.

(gg) "Final Development Cost" means the total of the cost of acquisition and construction of the Development as shown on the Final Cost Certification.

(hh) "GP Capital Contribution" has the meaning set forth in Section 1(d)(vi).

(ii) "Gross Revenue" means for each calendar year, all revenue, income, receipts, and other consideration actually received from the operation and leasing of the Development. Gross Revenue includes, but is not limited to:

- i. all rents, fees and charges paid by tenants;
- ii. Section 8 payments and other rental or operating subsidy payments received for the dwelling units;
- iii. deposits forfeited by tenants;
- iv. all cancellation fees;
- v. price index adjustments and any other rental adjustments to leases or rental agreements;
- vi. net proceeds from vending and laundry room machines;
- vii. the proceeds of business interruption or similar insurance not paid to senior lenders;
- viii. the proceeds of casualty insurance not used to rebuild the Development and not paid to senior lenders; and
- ix. condemnation awards for a taking of part or all of the Development for a temporary period.

Gross Revenue does not include tenants' security deposits, loan proceeds, unexpended amounts (including interest) in any reserve account, required deposits to reserve accounts, capital contributions or similar advances.

(jj) "HCD" means the California Department of Housing and Community Development.

(kk) "HCD NPLH Loan" has the meaning set forth in Section 1(d)(ii).

(ll) "HOME-ARP Loan" has the meaning set forth in Paragraph C of the Recitals.

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

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

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

(pp) "Investor Limited Partner" means, NEF Assignment Corporation, as nominee, an Illinois not-for-profit corporation, and its permitted successors and assigns.

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

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

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

(tt) "Measure X Loan" has the meaning set forth in Paragraph C of the Recitals.

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

(vv) "Parties" means the City, the County, and Borrower.

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

(xx) "Partnership Management/Asset Fee" means (i) partnership management fees (including any asset management fees) payable pursuant to the Partnership Agreement to any partner of Borrower during the Fifteen Year Compliance Period, and (ii) after the expiration of the Fifteen Year Compliance Period asset management fees payable to the partners of Borrower, in the amounts approved by the County as set forth in Section 3.19 of the County Loan Agreement.

(yy) "Permanent Conversion" means the date the Bank Construction Loan converts to the Bank Permanent Loan.

(zz) "Permanent Financing" means the sum of the following amounts: (i) the County Loan; (ii) the City Financing; (iii) the HCD NPLH Loan; (iv) the Bank Permanent Loan; (v) the Eden Sponsor Loan; (vi) the CHDC Sponsor Loan; (vii) the Tax Credit Investor Equity; and (viii) the GP Capital Contribution.

(aaa) "PLHA Loan" has the meaning set forth in Paragraph C of the Recitals.

(bbb) "PLHA Note" has the meaning set forth in Paragraph C of the Recitals.

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

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

(eee) "Residual Receipts" means for each calendar year, the amount by which

Gross Revenue exceeds Annual Operating Expenses.

- (a) "Special City Financing Payment" has the meaning in Section 3(b).
- (b) "Special County Loan Payment" has the meaning set forth in Section 3(a).
- (c) "Statement of Residual Receipts" means an itemized statement of Residual Receipts.
- (d) "Tax Credit Investor Equity" has the meaning set forth in Section 1(d)(v).
- (e) "Term" means the period of time that commences on the date of this Agreement, and expires, unless sooner terminated in accordance with this Agreement, on the fifty-fifth (55th) anniversary of the Permanent Conversion; provided, however, if a record of the Permanent Conversion cannot be located or established, the Term will expire on the fifty-seventh (57th) anniversary of this Agreement.

2. Annual Payments to County and City.

(a) County Loan.

i. Commencing on May 1, 2027, and on May 1 of each year thereafter during the Term, Borrower shall make a loan payment to the County in an amount equal to the sum of (1) the County Prorata Percentage of the Lenders' Share of Residual Receipts, and (2) the result obtained by multiplying the County Additional Prorata Share by the Local Lenders' Share of Residual Receipts (each such payment, an "Annual County Loan Payment"). The County shall apply all Annual County Loan Payments to the County Loan as follows: (1) first, to accrued interest, and (2) second, to principal.

ii. Borrower shall repay the County Loan pursuant to the terms of the County Loan Agreement and the County Notes. In the event of any conflict between the repayment terms and provisions of the County Loan Agreement and this Agreement, the provisions of this Agreement apply. The County may not consent to any amendment or waiver of the terms of the County Loan Agreement or the County Notes if such amendment or waiver could reasonably be deemed to materially adversely affect the City, without the City's prior written approval, which the City may withhold in its sole discretion. Without limiting the generality of the foregoing, the County will not amend the following Sections of the County Loan Agreement without the prior written consent of City: Section 3.18 (Developer Fee), Section 3.19 (Partnership Management/Asset Fees), Section 3.20 (HOME Monitoring Fee), Section 4.1 (Reserve Accounts).

(b) City Financing.

i. Commencing on May 1, 2027, and on May 1 of each year thereafter during the Term, Borrower shall make a loan payment to the City in an amount equal to the sum of (1) the City Prorata Percentage of the Lenders' Share of Residual Receipts, and (2) the result obtained by multiplying the City Additional Prorata Share by the Local Lenders' Share of Residual Receipts (each such payment, an "Annual City Financing Payment"). The City shall apply all Annual City Financing Payments to the City Financing as follows: (1) first, to accrued

interest, and (2) second, to principal for the City Financing.

ii. Borrower shall repay the City Financing pursuant to the terms of the City Loan Agreement and the City Note. In the event of any conflict between the repayment terms of the City Loan Agreement, City Note, and this Agreement, the provisions of this Agreement apply. The City may not consent to any amendment or waiver of the terms of the City Loan Agreement or the City Note, if such amendment or waiver could reasonably be deemed to materially adversely affect the County, without the County's prior written approval, which the County may withhold in its sole discretion.

3. Special Repayment from Net Proceeds of Permanent Financing.

(a) To the extent consistent with the regulations applicable to the HCD NPLH Loan, no later than ten (10) days after the date Borrower receives its final capital contribution from the Investor Limited Partner, Borrower shall pay to the County as a special repayment of the County Loan, an amount equal to the result obtained by multiplying the County Additional Prorata Percentage by the Available Net Proceeds (the "Special County Loan Payment").

(b) To the extent consistent with the regulations applicable to the HCD NPLH Loan, no later than ten (10) days after the date Borrower receives its final capital contribution from the Investor Limited Partner, Borrower shall pay to the City as a special repayment of the City Financing, an amount equal to the result obtained by multiplying the City Additional Prorata Percentage by the Available Net Proceeds (the "Special City Financing Payment").

(c) No later than one hundred eighty (180) days following completion of construction of the Development, Borrower shall submit to the County and the City a preliminary calculation of the Net Proceeds of Permanent Financing and a draft of the Final Cost Certification. The County and the City shall approve or disapprove Borrower's determination of the amount of the Net Proceeds of Permanent Financing in writing within thirty (30) days of receipt. If Borrower's determination is disapproved by the County or the City, Borrower shall re-submit documentation to the County and the City until approval of the County and the City is obtained.

4. Reports and Accounting of Residual Receipts.

(a) Annual Reports. In connection with the Annual County Loan Payment and the Annual City Financing Payment, Borrower shall furnish to the City and the County:

i. The Statement of Residual Receipts for the relevant period. The first Statement of Residual Receipts will cover the period that begins on January 1, 2026 and ends on December 31st of that same year. Subsequent statements of Residual Receipts will cover the twelve-month period that ends on December 31 of each year;

ii. A statement from the independent public accountant that audited Borrower's financial records for the relevant period, which statement must confirm that Borrower's calculation of the Lenders' Share of Residual Receipts and Local Lenders' Portion of Residual Receipts is accurate based on Operating Income and Annual Operating Expenses; and

iii. Any additional documentation reasonably required by the County or the City to substantiate Borrower's calculation of Lenders' Share of Residual Receipts and Local Lenders' Share of Residual Receipts.

(b) Books and Records. Borrower shall keep and maintain at the principal place of business of Borrower set forth in Section 7 below, or elsewhere with the written consent of the County and the City, full, complete and appropriate books, record and accounts relating to the Development, including all books, records and accounts necessary or prudent to evidence and substantiate in full detail Borrower's calculation of Residual Receipts and disbursements of Residual Receipts. Borrower shall cause all books, records and accounts relating to its compliance with the terms, provisions, covenants and conditions of this Agreement to be kept and maintained in accordance with generally accepted accounting principles consistently applied, and to be consistent with requirements of this Agreement, which provide for the calculation of Residual Receipts on a cash basis. Borrower shall cause all books, records, and accounts to be open to and available for inspection by the County and the City, their auditors or other authorized representatives at reasonable intervals during normal business hours. Borrower shall cause copies of all tax returns and other reports that Borrower may be required to furnish to any government agency to be open for inspection by the County and the City at all reasonable times at the place that the books, records and accounts of Borrower are kept. Borrower shall preserve records on which any statement of Residual Receipts is based for a period of not less than five (5) years after such statement is rendered, and for any period during which there is an audit undertaken pursuant to subsection (c) below then pending.

(c) County and City Audits.

i. The receipt by the County or the City of any statement pursuant to subsection (a) above or any payment by Borrower or acceptance by the County or the City of any loan repayment for any period does not bind the County or the City as to the correctness of such statement or such payment. The County or the City or any designated agent or employee of the County or the City is entitled at any time to audit the Residual Receipts and all books, records, and accounts pertaining thereto. The County and/or the City may conduct such audit during normal business hours at the principal place of business of Borrower and other places where records are kept. Immediately after the completion of an audit, the County or the City, as the case may be, shall deliver a copy of the results of the audit to Borrower.

ii. If it is determined as a result of an audit that there has been a deficiency in a loan repayment to the County and/or the City, then such deficiency will become immediately due and payable, with interest at the Default Rate from the date the deficient amount should have been paid. In addition, if the audit determines that Residual Receipts have been understated for any year by the greater of (i) \$2,500, and (ii) an amount that exceeds five percent (5%) of the Residual Receipts, then, in addition to paying the deficiency with interest, Borrower shall pay all of the costs and expenses connected with the audit and review of Borrower's accounts and records incurred by the County and/or the City.

5. Subordination.

(a) The County Recorded Documents will unconditionally be and at all times remain a lien or charge on the Property prior and superior to the City Recorded Documents.

(b) The City intentionally and unconditionally subordinates all of its rights, titles and interests in and to the Property that result from the City Recorded Documents, to the lien or charge of the County Recorded Documents upon the Property and understands that in reliance upon, and in consideration of, this subordination, specific loan modifications are being and will be made by the County and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this subordination.

6. Notice of Default. The County and the City shall each notify the other promptly upon declaring a default or learning of the occurrence of any material event of default, or any event which with the lapse of time would become a material event of default, under its respective loan documents for the City Financing and the County Loan.

7. Notices. All notices required or permitted by any provision of this Agreement must be in writing and sent by registered or certified mail, postage prepaid, return receipt requested, or delivered by express delivery service, return receipt requested, or delivered personally, to the principal office of the Parties as follows:

City: City of Richmond
450 Civic Center Plaza
Richmond, CA 94804
Attention: City Manager

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

Borrower: Legacy Court, L.P.
c/o Eden Housing, Inc.
22645 Grand St.
Hayward, CA 94541
Attention: Executive Director

and

c/o Community Housing Development Corporation of
North Richmond
1535 Fred Jackson Way, Suite A
Richmond, CA 94801
Attention: Executive Director

Investor Limited Partner: NEF Assignment Corporation
c/o National Equity Fund, Inc.
10 South Riverside Plaza, Suite 1700
Chicago, Illinois 60606

Attention: Asset Management

With a copy to:

Craig A. Emden, Esq.
Bocarsly Emden Cowan Esmail & Arndt LLP
633 West Fifth Street, Suite 5880
Los Angeles, California 90071
Tel: (301) 634-0500; Fax: (213) 559-0747
Email: cemden@bocarsly.com

Such written notices, demands, and communications may be sent in the same manner to such other addresses as the affected Party may from time to time designate as provided in this Section. Receipt will be deemed to have occurred on the date marked on a written receipt as the date of delivery or refusal of delivery (or attempted delivery if undeliverable).

8. Titles. Any titles of the sections or subsections of this Agreement are inserted for convenience of reference only and are to be disregarded in interpreting any part of the Agreement's provisions.

9. California Law. This Agreement is governed by the laws of the State of California.

10. Severability. If any term of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions will continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

11. Entire Agreement. This Agreement constitutes the entire understanding and agreement of the Parties with respect to the subordination of the City Recorded Documents to the lien or charge of the County Recorded Documents and the division of the Lenders' Share of Residual Receipts, and Local Lenders' Share of Residual Receipts between the City and the County.

12. Counterparts. This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

13. Amendments. This Agreement may not be modified except by written instrument executed by and amongst the Parties.

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

BORROWER:

Legacy Court, L.P.,
a California limited partnership

By: Legacy Court LLC,
a California limited liability company,
its general partner

By: Eden Housing, Inc.
a California nonprofit public benefit corporation,
its managing member

By: _____
Aruna Doddapaneni, Senior Vice President of Development

By: Community Housing Development Corporation
of North Richmond, a California nonprofit public
benefit corporation, its managing member

By: _____
Donald Gilmore, Executive Director

[signatures continue of following page]

APPROVED AS TO FORM:

THOMAS L. GEIGER
County Counsel

By: _____
Kathleen Andrus
Deputy County Counsel

COUNTY:

COUNTY OF CONTRA COSTA, a political
subdivision of the State of California

By: _____
John Kopchik
Director, Department of Conservation and
Development

ATTEST:

By: _____
City Clerk

CITY:

CITY OF RICHMOND, a California municipal
corporation and a charter city

By: _____
Kinshasa Curl, City Manager

APPROVED AS TO FORM:

By: _____
City Attorney

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

STATE OF CALIFORNIA)
)
COUNTY OF _____)

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

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

WITNESS my hand and official seal.

Name: _____
Notary Public

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

STATE OF CALIFORNIA)

COUNTY OF _____)

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

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STATE OF CALIFORNIA)

)

COUNTY OF _____)

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

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

WITNESS my hand and official seal.

Name: _____

Notary Public

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

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