

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO

Citi Community Capital
Transaction and Asset Management Group/
Documentation
388 Greenwich Street, Trading 6th Floor
New York, New York 10013
Attention: Tanya Jimenez
Citi Deal ID # 60000764

SPACE ABOVE THIS LINE FOR RECORDER'S USE

SUBORDINATION AGREEMENT FOR REGULATORY AGREEMENT

GOVERNMENTAL ENTITY

REGULATORY AGREEMENT ONLY/NO SUBORDINATE DEBT

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THIS SUBORDINATION AGREEMENT FOR REGULATORY AGREEMENT (this “**Agreement**”) is effective as of the ____ day of _____, 2021, by the **FAIRFIELD HOUSING AUTHORITY**, as **successor-in-interest by operation of law to the former** Redevelopment Agency of the City of Fairfield (“**Governmental Entity**”), and **EDEN WOODSIDE COURT, L.P.**, a California limited partnership (“**Borrower**”), for the benefit of **CITIBANK, N.A.**, a national banking association, its successors and assigns (“**Lender**”).

RECITALS:

A. Simultaneously herewith Lender is making a loan to Borrower in the original principal amount of \$[9,790,000] (“**Loan**”) pursuant to a Multifamily Loan and Security Agreement between Lender and Borrower (as supplemented or amended from time to time, the “**Loan Agreement**”) and evidenced by a Multifamily Note by Borrower to Lender (as supplemented or amended from time to time, the “**Note**”). The Loan is to be secured by a Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing that will be recorded among the records of Solano County, California (“**Official Records**”) (as supplemented or amended from time to time, the “**Mortgage**”) of certain improved real property located in Fairfield, Solano County, California, as more particularly described on Exhibit A attached hereto (“**Property**”). The Loan Agreement, the Note and the Mortgage, together with all other documents executed with respect to the Loan, are hereinafter collectively referred to as the “**Loan Documents**”.

B. In connection with the construction and development of the Property, Borrower’s predecessor in interest entered into a certain Affordable Housing Covenant dated as of July 31, 2000 (“**Regulatory Agreement**”) in favor of the Governmental Entity, which was recorded on August 22, 2000, in the Official Records as Document Number 2000-00067937, pursuant to which the Property was subjected to certain restrictions by Governmental Entity.

C. As a condition to making the Loan, Lender requires that the lien of the Mortgage be superior to the lien of the Regulatory Agreement. Lender will not make the Loan unless Governmental Entity and Borrower agree to subordinate their rights and obligations under the Regulatory Agreement.

E. Borrower and Governmental Entity hereby agree to subordinate the Regulatory Agreement on and subject to the terms, conditions and requirements set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Recitals. The foregoing Recitals are hereby incorporated into this Agreement as agreements among the parties.

2. Subordination. The Governmental Entity hereby agrees that the Regulatory Agreement is and shall at all times continue to be, subordinate, subject and inferior to the rights of Lender under the Loan Documents and that the liens, rights (including approval and consent rights), remedies, payment interests, priority interests, and security interests granted to Governmental Entity pursuant to or in connection with the Regulatory Agreement are hereby expressly acknowledged to be in all respects and at all times, subject, subordinate and inferior in all respects to the liens, rights (including approval and consent rights), remedies, payment, priority and security interests granted to Lender pursuant to the Loan Documents and the terms, covenants, conditions, operations and effects thereof. Notwithstanding the above, Governmental Entity may exercise the remedies of specific performance or injunctive relief at any time in the event of a default under or breach of the terms of the Regulatory Agreement.

3. Financing, Encumbrance and Approval. Governmental Entity hereby approves and acknowledges the financing evidenced by the Mortgage. Governmental Entity further agrees that any transfer of the Property in connection with foreclosure of the Mortgage or a deed in lieu thereof shall not require Governmental Entity's consent but shall require notice to Governmental Entity.

4. Lender Notice of Default. In consideration of Governmental Entity's agreements contained in this Agreement, Lender agrees that in the event of any default by Borrower under the Loan Documents, Governmental Entity shall be entitled to receive a copy of any notice of default given by Lender to Borrower under the Loan Documents. Neither the giving nor the failure to give a notice to Governmental Entity pursuant to this Section 4 will affect the validity of any notice given by Lender to the Borrower.

5. Governmental Entity Right to Cure. Lender agrees that it shall not complete a foreclosure sale of the Property or record a deed-in-lieu of foreclosure with respect to the Property (each, a "**Foreclosure Remedy**") unless Governmental Entity has first been given sixty (60) days written notice of the default under the Loan Documents giving the Lender the right to complete such Foreclosure Remedy. Governmental Entity shall have the right but not the obligation to cure such default within the sixty (60) day period.

6. Governmental Entity Notice of Default. Governmental Entity shall give Lender a concurrent copy of each material notice (including without limitation each notice of default) given by Governmental Entity under or with respect to the Regulatory Agreement, and agrees that Lender, at Lender's sole election, shall have the right (but not the obligation) to cure any default by Borrower under the Regulatory Agreement on its and/or Borrower's behalf. Governmental Entity hereby represents that, to the best of its knowledge, there is no current default under the Regulatory Agreement.

7. Governmental Entity's Rights. Except as set forth in Sections 2 and 8 of this Agreement, nothing in this Agreement is intended to abridge or adversely affect any right or obligation of Borrower and/or Governmental Entity, respectively, under the Regulatory Agreement; provided that, (A) the Regulatory Agreement may be released but it may not be

modified, amended, changed or otherwise altered without the prior written consent of Lender so long as the Loan is secured by the Property and (B) for so long as the Loan is secured by the Property, notwithstanding the terms of the Regulatory Agreement to the contrary, neither Borrower nor Governmental Entity will, without Lender's prior written consent, exercise or seek any right or remedy under the Regulatory Agreement or available at law or in equity which will or could result in (i) a transfer of possession of the Property or the control, operations or management thereof, (ii) the collection or possession of rents or revenues from or with respect to the Property by any party other than Borrower or Lender; (iii) appointment of a receiver for the Property; (iv) the application of insurance or condemnation proceeds other than as approved by Lender pursuant to the Loan Documents; (v) the removal or replacement of the existing property manager of the Property; or (vi) a material adverse effect on Lender's security for the Loan.

8. Foreclosure by Lender. In the event of foreclosure, deed in lieu of foreclosure, or similar disposition of the Property by Lender, no consent shall be required from Governmental Entity.

9. Entire Agreement. This Agreement represents the entire understanding and agreement between the parties hereto with regard to the subordination of the Regulatory Agreement to the lien or charge of the Loan Documents, and shall supersede and cancel any prior agreements with regard to this subject matter.

10. Binding Provisions. The covenants and agreements contained in this Agreement shall be binding upon the heirs, personal representatives, successors and assigns of the respective parties to this Agreement.

11. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

12. Modifications. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors in interest.

13. Notices. All notices required or permitted hereunder shall be deemed to have been received either (i) when delivered by hand and the party giving such notice has received a signed receipt thereof, or (ii) three (3) days following the date deposited in the United States mail, postage prepaid, by registered or certified mail, return receipt requested, addressed as follows (or addressed in such other manner as the party being notified shall have requested by written notice to the other party):

If to Governmental Entity:

Fairfield Housing Authority
1000 Webster Street, 1st Floor
Fairfield, CA 94533
Attention: Housing Services Director

If to Lender:

Citibank, N.A.
388 Greenwich Street, Trading 6th Floor
New York, New York 10013
Attention: Transaction Management Group
Deal ID # 60000478
Facsimile: (212) 723-8209

AND

Citibank, N.A.
325 East Hillcrest Drive, Suite 160
Thousand Oaks, California 91360
Attention: Operations Manager/Asset Manager
Deal ID # 60000478
Facsimile: (805) 557-0924

Citibank, N.A.
c/o Berkadia Commercial Servicing Department
323 Norristown Road, Suite 300
Ambler, Pennsylvania 19002
Attention: Client Relations Manager
Deal ID # 60000478
Facsimile: (215) 328-0305

And a copy of any default notice sent to:

Citibank, N.A.
388 Greenwich Street
New York, New York 10013
Attention: General Counsel's Office
Deal ID # 60000478
Facsimile: (646) 291-5754

If to Borrower:

Eden Woodside Court, L.P.
22645 Grand Street
Hayward, CA 94541

With a copy to:

Gubb & Barshay LLP
505 14th Street, Suite 450
Oakland, CA 94612
Attn: Nicole Kline, Esq.

14. Further Instruments. Each of the parties hereto will, whenever and as often as they shall be requested to do so by the other, execute, acknowledge and deliver, or cause to be executed, acknowledged or delivered, any and all such further instruments and documents as may be reasonably necessary to carry out the intent and purpose of this Agreement, and to do any and all further acts reasonably necessary to carry out the intent and purpose of this Agreement.

15. Valid Authorization. Each person executing this Agreement on behalf of a party hereto represents and warrants that such person is duly and validly authorized to do so on behalf of such party with full right and authority to execute this Agreement and to bind such party with respect to all of its obligations hereunder.

16. Counterparts. This Agreement may be executed in counterparts each of which shall be deemed an original and all of which when taken together constitute one and the same instrument, binding on all of the parties. The signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN THE REGULATORY AGREEMENT BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF THE MORTGAGE.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year above written.

GOVERNMENTAL ENTITY

FAIRFIELD HOUSING AUTHORITY

By: _____

Name: Stefan T. Chatwin

Title: Executive Director

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

BORROWER:

EDEN WOODSIDE COURT, L.P.,
a California limited partnership

By: Eden Investments, Inc.
a California nonprofit public benefit corporation
Its: Managing General Partner

By: _____
Name: Tatiana Blank
Title: Chief Financial Officer

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

LENDER:

CITIBANK, N.A.,
a national banking association

By: _____

Name: Kathy Millhouse

Title: Vice President

Deal ID No. 60000764

Address:

Citibank, N.A.

388 Greenwich Street, Trading 6th Floor

New York, New York 10013

Attention: Transaction Management Group

Deal ID No.: 60000764

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF VENTURA

On _____, 2021 before me, _____, Notary Public (here insert name and title of the officer), personally appeared Kathy Millhouse who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A

Legal Description

REAL PROPERTY In the City of Fairfield, County of Solano, State of California, described as follows:

Parcel B, as shown on the Map entitled: "Parcel Map for Dianne G. Estrin, etal, a Division of Lots 1, 2 and 3, as shown on the Map of Locke Paddon Second Addition to Fairfield, as recorded in Book 4 of Maps, Page 21", which Map was filed in the Office of the Recorder of Solano County, California on March 12, 1980 in Book 20 of Parcel Maps, at Page 16.

EXCEPTING THEREFROM:

That parcel of land described in Deed dated April 27, 1982, executed by KK Investment Company, a California limited partnership to City of Fairfield, recorded June 15, 1982 in Book 1982, Page 37855, Instrument No. 21556, Solano County Records.

A.P.No.: 034-090-290