# CALL AND NOTICE OF SPECIAL MEETING AT 6:30 PM OF THE VALLEJO CITY COUNCIL AS THE GOVERNING BOARD OF THE SUCCESSOR AGENCY TO THE FORMER VALLEJO REDEVELOPMENT AGENCY

**BOARD**
Andrea Sorce (Chair)
Diosdado "JR" Matulac (Vice-Chair)
Peter Bregenzer
Helen-Marie Gordon
Tonia Lediju, PhD
Alexander Matias
Charles Palmares

**HYBRID MEETING**
www.Cityofvallejo.net

**JUNE 9, 2026**

**Council Chambers**
**555 Santa Clara Street**
**Vallejo, CA 94590**

| | |
|---|---|
| NOTICE: Members of the Public will be able to participate in-person or remotely via Zoom | City Hall and the Council Chambers will be open to members of the public 30 minutes prior to the start of the meeting. |
| PUBLIC COMMENT: Members of the Public may provide public comments during the City Council Meeting in person or via ZOOM (https://ZoomRegular.Cityofvallejo.net), or via phone, by dialing (669) 900-6833. | For additional instructions on how to speak remotely during public comment, please visit, www.cityofvallejo.net/publiccomment |

VIEW THE MEETING:
There are four different ways you can view this public meeting:
- In Person
- Watch Vallejo local channel 28
- Stream from the City website: www.cityofvallejo.net/Streaming
- Join the Zoom webinar: https://ZoomRegular.Cityofvallejo.net

**Hybrid Options are available for members of the public to participate. To participate remotely**

| Option to Join by Computer | Option to Join by Phone |
|---|---|
| From your browser go to https://ZoomRegular.CityofVallejo.net to launch and join the zoom application.<br>Meeting ID: 914 0075 0676#<br>Meeting Password: 131313 | Dial (669) 900-6833<br>Enter Meeting ID: 914 0075 0676#<br>Meeting Password: 131313<br>Press *9 to digitally raise your hand from the phone.<br>Press *6 to unmute/mute |

Any supplemental writing related to an agenda item for an open session of a regular meeting that is distributed to all or a majority of all members of the City Council less than 72 hours before the meeting will be posted concurrently on the City's website at www.cityofvallejo.net/agendas Written material distributed during the meeting, will be available at the meeting if prepared by the City or after the meeting if prepared by someone else. Such materials may be obtained from the City Clerk

| | |
|---|---|
| | Vallejo City Council Chambers ADA compliant. Devices for the hearing impaired are available from the City Clerk. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof |

TO THE MEMBERS OF THE VALLEJO CITY COUNCIL AS GOVERNING BOARD OF THE SUCCESSOR AGENCY TO THE FORMER VALLEJO REDEVELOPMENT AGENCY:

You are hereby notified that I do hereby call the Vallejo City Council as Governing Board of the Successor Agency to the former Vallejo Redevelopment Agency in special session to consider only the matters stated on the agenda listed below.

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. PRESENTATIONS AND COMMENDATIONS**

**4. CONSENT CALENDAR AND APPROVAL OF AGENDA**

**5. ACTION CALENDAR**

*NOTICE: Members of the public wishing to address the City Council as the Governing Board of the Successor Agency to the former Vallejo Redevelopment Agency on Action Calendar Items may do so in person by signing in to the Public Speaker's kiosk located in the back of the Council Chambers or via ZOOM (https://ZoomRegular.Cityofvallejo.net), or via phone, by dialing (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press *9 to digitally raise your hand from the phone. Press *6 to unmute/mute. For additional instructions on how to speak remotely during public comment, please visit, www.cityofvallejo.net/publiccomment. Each speaker is limited to five minutes pursuant to Vallejo Municipal Code Section 2.02.420 or as approved and announced by the Mayor. In person speakers will be recognized first*

A. **ADOPT A RESOLUTION APPROVING DOCUMENTS NECESSARY FOR THE FINANCING AND REHABILITATION OF SERENO VILLAGE APARTMENTS TO INCLUDE THE FOLLOWING: 1) ASSIGNMENT AND ASSUMPTION AND AMENDMENT OF CITY OF VALLEJO/REDEVELOPMENT AGENCY ("RDA") LOANS AND LOAN DOCUMENTS PROVIDED TO SERENO VILLAGE ASSOCIATES; AND 2) SUBORDINATION OF SAID LOANS TO THE PROJECT'S CONSTRUCTION AND PERMANENT LENDERS AND APPROVAL OF AGREEMENTS RELATED THERETO**

Recommendation: Adopt a resolution approving the drafted assignment and assumption and amendment of loan documents for the three loans, including two loans issued by the former Vallejo Redevelopment Agency, originally provided to Citizens Housing Corporation (CHC) and subsequently assigned to Sereno Village Associates, which will be further assigned to Eden Sereno Village, L.P. or an affiliate thereof (collectively, “Eden”) for rehabilitation and construction for the Sereno Village affordable housing project located at 750 Sereno Drive (the “Project”).

The City of Vallejo loan modifications as drafted in the loan documents include:

1. Assignment and Assumption and Amendment of Loan Documents (Sereno Village Acquisition Loan & Permanent Financing Loans);
2. Subordination Agreement to the Project's construction and permanent lenders; and

Contact: Gillian Haen, Assistant City Manager (707) 648-4163
Gillian.haen@cityofvallejo.net

## 6. ADJOURNMENT

<table>
<tr><td colspan="2"><u>ADDITIONAL CITY INFORMATION</u><br>Members of the public can:<ul><li>Like us on Facebook and Instagram (@cityofvallejo)</li><li>Sign up to receive City Communications via e-mail (www.cityofvallejo.net/subscribe)</li><li>Sign up for emergency alerts at: alertsolano.com</li></ul></td></tr>
<tr><td>Dated: Wednesday, June 3, 2026</td><td>Dawn G. Abrahamson for<br><u>Andrea Sorce, Mayor</u></td></tr>
<tr><td colspan="2">I, Dawn Abrahamson, City Clerk do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to<br><br>Andrea Sorce (Chair)<br>Diosdado "JR" Matulac (Vice-Chair)<br>Peter Bregenzer<br>Helen-Marie Gordon<br>Tonia Lediju, PhD<br>Alexander Matias<br>Charles Palmares,<br><br>at the time and in the manner prescribed by law and that this agenda was posted at City Hall, 555 Santa Clara Street, CA at 4:45 p.m., Wednesday, June 3, 2026.</td></tr>
<tr><td>Dated: Wednesday, June 3, 2026</td><td>Dawn G. Abrahamson</td></tr>
</table>

**DATE:** June 9, 2026
**TO:** Mayor and Members of the City Council
**FROM:** Gillian Haen, Assistant City Manager
**SUBJECT:** **ADOPT A RESOLUTION APPROVING DOCUMENTS NECESSARY FOR THE FINANCING AND REHABILITATION OF SERENO VILLAGE APARTMENTS TO INCLUDE THE FOLLOWING: 1) ASSIGNMENT AND ASSUMPTION AND AMENDMENT OF CITY OF VALLEJO/REDEVELOPMENT AGENCY ("RDA") LOANS AND LOAN DOCUMENTS PROVIDED TO SERENO VILLAGE ASSOCIATES; AND 2) SUBORDINATION OF SAID LOANS TO THE PROJECT'S CONSTRUCTION AND PERMANENT LENDERS AND APPROVAL OF AGREEMENTS RELATED THERETO**

## RECOMMENDATION

Adopt a resolution approving the drafted assignment and assumption and amendment of loan documents for the three loans, including two loans issued by the former Vallejo Redevelopment Agency, originally provided to Citizens Housing Corporation (CHC) and subsequently assigned to Sereno Village Associates, which will be further assigned to Eden Sereno Village, L.P. or an affiliate thereof (collectively, "Eden") for rehabilitation and construction for the Sereno Village affordable housing project located at 750 Sereno Drive (the "Project").

The City of Vallejo loan modifications as drafted in the loan documents include:

1. Assignment and Assumption and Amendment of Loan Documents (Sereno Village Acquisition Loan & Permanent Financing Loans);
2. Subordination Agreement to the Project's construction and permanent lenders; and

## REASONS FOR RECOMMENDATION

Eden Housing has received an award for 4% tax credits and tax-exempt bonds from the State of California to support a substantial rehabilitation of Sereno Village, a 100% affordable housing community located in the City of Vallejo. The State of California requires that the financing close and begin renovation within the stated Readiness deadlines dictated by the funding resolution. The Assignment and Amendment of the City of Vallejo's and Former Redevelopment Agency existing loan documents and regulatory agreements on the property will allow Eden to close the construction financing and begin and complete the project's renovation, close the permanent financing and preserve 125 low-income units. The Project is currently scheduled to close its financing and begin the renovation by June 23, 2026.

## BACKGROUND AND DISCUSSION

At the November 18, 2025 meeting, the City Council of the City of Vallejo adopted a Resolution authorizing: 1) the assignment and amendment of three City of Vallejo/RDA loans provided to Sereno Village Associates; 2) partial repayment of the loan of park fees (commonly referred to as GVRD fees) and General Fund loan; and (3) full repayment of the Vallejo Flood and Wastewater District loan.

Sereno Village is a 125-unit family apartment complex located at 750 Sereno Drive in Vallejo, CA. The project is 100% affordable and is under an existing California Tax Allocation Committee (CTCAC) regulatory agreement which expires in 2059 and an existing Redevelopment Agency of the City of Vallejo Affordable Housing Covenant which expires in 2055. Sereno Village was originally developed by Citizens Housing Corporation (CHC). After the dissolution of CHC, Eden Housing took over ownership and operation of Sereno Village and assumed the existing loans on title.

Below is a table summarizing the project's current loans and accrued interest as of October 31, 2025 (for City of Vallejo loans):

| LENDER | LOAN TYPE/ YEAR | ORIGINAL PRINCIPAL | CURRENT PRINCIPAL | ACCRUED INTEREST | TERM | REPAYMENT | INTEREST RATE/NOTES | LOAN STATUS |
|---|---|---|---|---|---|---|---|---|
| City of Vallejo (Redevelopment Agency) | Permanent Loan / 2003 | $1,900,000 | $1,900,000 | $1,352,852 | 30 years | Residual receipts | 3% simple interest | Current |
| City of Vallejo (Redevelopment Agency) | Acquisition Loan / 2003 | $600,000 | $600,000 | $448,767 | 30 years | Residual receipts | 3% simple interest | Current |
| City of Vallejo | General Fund and Park fees loan / 2003 | $1,602,463 | $915,981 | $410,627 | 15 years (matured) | Residual receipts | 3% simple interest prior to maturity | Matured |
| Vallejo Flood and Wastewater District (VFWD) | VFWD Loan | $351,635 | $253.368 | $117,025 | Matured | Due and Payable | - | Matured |

Below is a table summarizing the project's amended loans.

| LENDER | LOAN TYPE/ YEAR | ORIGINAL PRINCIPAL | CURRENT PRINCIPAL | ACCRUED INTEREST | TERM | REPAYMENT | INTEREST RATE/NOTES | LOAN STATUS |
|---|---|---|---|---|---|---|---|---|
| City of Vallejo (combined two City loans) | Permanent Loan / Recast | $1,900,000 + $600,000 | $1,900,000 + $600,000 | $1,352,852 +$448,767 | 55 years | Residual receipts | AFR interest | Recast at closing |
| City of Vallejo GVRD | General Fund and Park fees loan / Recast | $1,602,463 | $915,981 | $410,627 | 55 years | Residual receipts | AFR interest | Recast at closing |

Sereno Village needs a substantial renovation to ensure the affordable units do not fall offline. The property was originally constructed in 2003, and except for exterior painting and ongoing maintenance, no major capital repairs have occurred.

On November 19, 2025, Sereno Village was awarded 4% tax credits from CTCAC to fund a rehabilitation of Sereno Village. These funds will be used to complete much needed upgrades to the property that will improve the lives of Vallejo residents. The State of California requires that the project begin renovation within the State's readiness deadline as memorialized in the funding award.

To facilitate a rehabilitation of the property, Eden is requesting that the City approve the presented loan documents and subordination agreements. These documents include the terms consented to at the November 18, 2025, City of Vallejo City Council meeting. The specific terms are described in the attached loan documents.

## FISCAL IMPACT

There is no immediate fiscal impact to the City/Successor Agency. The proposed loan modifications: extending the loan term, recasting principal and interest at the Applicable Federal Rate, and subordinating the loans to the Project's construction and permanent financing, are structured to preserve the long-term viability of the Sereno Village affordable housing project while maintaining the City's ability to recover the outstanding loan balance over time. These changes do not require additional City funding at this time.

## ENVIRONMENTAL REVIEW

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

## ATTACHMENTS

| | |
|---|---|
| 1. | Resolution of Successor Agency Consenting to the Assignment and Amendment of City Loans CAO Stamp |
| 2. | City Loan - Assignment and Assumption and Amendment ($1.9mm + $600k) (v2) (Pending Final Review) (703715) (4) CAO STAMP |
| 3. | US BANK - SERENO - Subordination Agreement (City of Vallejo)_lz_4.16 (5) CAO STAMP |

## CONTACT

Gillian Haen, Assistant City Manager (707) 648-4163
Gillian.haen@cityofvallejo.net

Approved as to form:

By: ______________________ for
Veronica Nebb, City Attorney

**RESOLUTION NO. ______N.C.**

**ADOPT A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO APPROVING:
1) ASSIGNMENT AND ASSUMPTION AND AMENDMENT OF CITY OF VALLEJO/REDEVELOPMENT AGENCY LOANS AND LOAN DOCUMENTS PROVIDED TO SERENO VILLAGE ASSOCIATES; AND
2) SUBORDINATION OF SAID LOANS TO THE PROJECT'S CONSTRUCTION AND PERMANENT LENDERS AND APPROVAL OF REALTED AGREEMENTS**

**WHEREAS,** Sereno Village Associates (the "Partnership") is the owner and operator of Sereno Village, a 125-unit low-income affordable housing property located at 750 Sereno Drive in the City of Vallejo (the "Project"). The Partnership took control of the Project upon Citizens Housing Corporation dissolution; and

**WHEREAS,** the Project has received an allocation of tax-exempt bonds and corresponding tax credits, which will be used to finance the substantial rehabilitation thereof. The associated finance transaction will involve the transfer of the Project to an affiliate of Eden Housing, Inc. (the "Project Re-syndication"); and

**WHEREAS**, the State of California requires that the financing close and begin renovation within the stated Readiness deadlines dictated by the funding resolution; and

**WHEREAS,** the Assignment and Amendment of the City of Vallejo's and Former Redevelopment Agency existing loan documents and regulatory agreements on the property will allow Eden to close the construction financing and begin and complete the project's renovation, close the permanent financing and preserve 125 low-income units; and

**WHEREAS,** the proposed loan modifications: extending the loan term, recasting principal and interest at the Applicable Federal Rate, and subordinating the loans to the Project's construction and permanent financing, are structured to preserve the long-term viability of the Sereno Village affordable housing project while maintaining the City's ability to recover the outstanding loan balance over time, and these changes do not require additional City funding at this time; and

**WHEREAS,** given the anticipated Project Re-syndication, staff is recommending that the Board of the Successor Agency to the Former Redevelopment Agency of the City of Vallejo consent to: (i) assignment and assumption and amendment of City of Vallejo/Redevelopment Agency ("RDA") loans and loan documents provided to Sereno Village Associates; and (ii) subordination of said loans to the project's construction and permanent lenders.

**NOW THEREFORE, BE IT RESOLVED** that the Board of the Successor Agency to the Former Redevelopment Agency of the City of Vallejo hereby consents to the 1) assignment and assumption and amendment of city of Vallejo/Redevelopment Agency ("RDA") loans and loan documents provided to Sereno Village Associates ; and 2) subordination of said loans to the project's construction and permanent lenders.

**BE IT FURTHER RESOLVED** that the City Council hereby approves the following agreements:

1. Assignment and Assumption and Amendment of Loan Documents;
2. Subordination Agreement.

**PASSED AND ADOPTED** by the City Council of the City of Vallejo as the governing board of the successor agency to the former Vallejo Redevelopment Agency at a special meeting thereof held on June 9, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_______________________________________
ANDREA SORCE, CHAIR

ATTEST:

_______________________________________
DAWN G. ABRAHAMSON, CITY CLERK

Approved as to form:

By: ______________ for ______

Veronica Nebb, City Attorney

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

City of Vallejo
555 Santa Clara St
Vallejo, CA 94590
Attn: City Clerk

APN: 0052-180-120 Space above this line for Recorder's use.

**ASSIGNMENT AND ASSUMPTION AND AMENDMENT**
**OF LOAN DOCUMENTS**
(SERENO VILLAGE ACQUISITION LOAN & PERMANENT FINANCING LOAN)

This ASSIGNMENT AND ASSUMPTION AND AMENDMENT OF LOAN DOCUMENTS (the "Amendment") is entered into as of June 1, 2026, by and among **SERENO VILLAGE ASSOCIATES**, a California limited partnership (the "Assignor"), **EDEN SERENO VILLAGE, L.P.**, a California limited partnership (the "Assignee"), and **THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO**, a public body, corporate and politic (the "**SUCCESSOR AGENCY**") with reference to the following facts:

A. Pursuant to the Assignor's development of that certain 125-unit low-income multifamily housing project commonly known as Sereno Village (the "Project"), which is situated on that certain parcel located in the City of Vallejo, California as more particularly described at Exhibit A attached hereto, the former Redevelopment Agency of the City of Vallejo ("Former Agency") made an acquisition loan to the Assignor in the original principal amount of $600,000 (the "Acquisition Loan") and a permanent financing loan in the original principal amount of $1,900,000 (the "Permanent Loan"). The Acquisition Loan and the Permanent Loan are collectively referred to herein, as the "Loans."

B. The Acquisition Loan is evidenced by that certain Acquisition Loan Note in favor of the Former Agency dated November 30, 2000, as amended (the "Acquisition Note"). The Acquisition Note is secured by that certain Deed of Trust and Assignment of Rents for the benefit of the Former Agency dated November 30, 2000, and recorded in the Solano County



165.202/703715

Official Records (the "Official Records") on December 5, 2000 as document number 2000-00103136, as amended (the "Acquisition Deed of Trust").

C. The Permanent Loan is evidenced by that certain Permanent Financing Loan Note in favor of the Former Agency dated February 11, 2002 (provided, the note contains a handwritten typo indicated the date is February 11, 20002), as amended (the "Permanent Note"). The Permanent Note is secured by that certain Short Form Deed of Trust and Assignment of Rents (Individual) for the benefit of the Former Agency dated February 11, 2002, and recorded in the Official Records on February 13, 2002 as document number 2002-00019392, as amended (the "Permanent Deed of Trust").

D. The Loans are further subject to the terms set out in that certain Participation Agreement effective by and between the Assignor (through its predecessor in interest) and the Former Agency dated November 30, 2000 (the "Participation Agreement").

E. In connection with the Loans, Assignor entered that certain Affordable Housing Covenant in favor of the Former Agency dated November 30, 2000 and recorded in the Official Records on December 5, 2000 as document number 2000-00103135, as amended by that certain Amendment to Affordable Housing Covenant dated February 8, 2002 and recorded in the Official Records on February 13, 2002 as document number 2002-00019388, and as amended by that certain Second Amendment to Affordable Housing Covenant dated December 12, 2011 and recorded in the Official Records on January 1, 2012 as document number 2012-00009297 (collectively, the "Affordable Housing Covenant").

F. The Acquisition Note, the Acquisition Deed of Trust, the Permanent Note, the Permanent Deed of Trust, the Participation Agreement, the Affordable Housing Covenant, and any other documents evidencing or securing the Loans shall collectively be referred to herein as the "Loan Documents." Capitalized terms used in this Amendment with respect to the Acquisition Loan and not otherwise defined shall have the meaning set forth in the Acquisition Note, the Acquisition Deed of Trust, the Participation Agreement, and the Affordable Housing Covenant, and capitalized terms used in this Amendment with respect to the Permanent Loan and not otherwise defined shall have the meaning set forth in the Permanent Note, the Permanent Deed of Trust, the Participation Agreement, and the Affordable Housing Covenant.

G. The Assignee (henceforth, the "Maker," the "Participant," and/or the "Borrower" under the Loan Documents) is acquiring the Project from the Assignor for purposes of rehabilitating, improving, owning, and operating the Project.

H. Pursuant to this Amendment, Assignor, with the consent of the Successor Agency, will assign to Assignee, and Assignee will accept the assignment from Assignor, of all of Assignor's rights, title, interest, and obligations with respect to the Loan Documents. Following the assignment of the Loan Documents from Assignor to Assignee, the Assignee and the

Successor Agency desires to release Assignor from all obligations in connection with the Loan Documents.

I. Assignee and the Successor Agency desire to amend certain provisions of the Loan Documents as set forth below.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties mutually agree as follows:

1. **Assignment and Assumption**. Assignor hereby assigns to Assignee all of its rights and obligations under the Loan Documents (collectively, the "Assignment"). Assignee hereby accepts the Assignment, assumes Assignor's obligation to repay the Loan, and assumes all obligations of Assignor under the Loan Documents. Henceforth, any reference to Assignor in the Loan Documents shall be deemed a reference to the Assignee.

2. **Consent to Assignment**. The Successor Agency hereby consents to the assignment of the Loan Documents from Assignor to Assignee and, effective upon such assignment, the Successor releases Assignor from any and all obligations and liabilities thereunder.

3. **No Default; Estoppel Provisions**.

(a) The Successor Agency acknowledges and agrees that as of the date hereof, to the actual knowledge of the Successor Agency, without duty of inquiry or investigation, no event has occurred and is continuing which would constitute a default, and no event has occurred and is continuing which with notice or the passage of time or both, would be an event of default, under any of the Loan Documents.

(b) The Successor Agency acknowledges and agrees that the Loan Documents are in full force and effect, as amended or modified by this Amendment.

4. **Amendment to Participation Agreement**.

(a) All references in the Participation Agreement to "Participant" are hereby made to refer to the Assignee.

(b) The parties agree that all income level definitions, including those set forth in Section I.A and Section IV.A of the Participation Agreement, shall reference the income limits promulgated by the California Tax Credit Allocation Committee.

(c) Section 301 of the Participation Agreement is hereby amended to update the referenced principal Acquisition Loan amount to [$1,048,767].

(d) Section 303 of the Participation Agreement is hereby amended to update the referenced principal Permanent Loan amount to [$3,252,852].

(e) The Participation Agreement is hereby amended to delete the unit mix set out at Section 1.B of Exhibit C and replace it as follows:

| **Unit Type** | **Total Units** |
|---|---|
| 1BR | 44 |
| 2BR | 41 (includes one manager unit) |
| 3BR | 31 |
| 4BR | 9 |

(f) The Successor Agency acknowledges that all conditions precedent and covenants in the Participation Agreement relating to the original Project, including the construction thereof, are hereby deemed to be satisfied or waived.

5. **Amendment to Acquisition Deed of Trust**.

(a) All references in the Acquisition Deed of Trust to "Trustor" are hereby made to refer to the Assignee.

(b) Section 1 of the Acquisition Deed of Trust is hereby amended to update the referenced principal loan amount to [$1,048,767].

(c) The Acquisition Deed of Trust is hereby amended to add a new Section 2 as follows:

> The Deed of Trust shall at all times be subordinate to the construction loan from US Bank and the permanent loan from the San Francisco Housing Accelerator Fund (or its affiliates or assigns) encumbering the Property, and the City agrees to execute and deliver such subordination agreements or other instruments as may be required by said lender from time to time to effectuate such subordination.

(d) The Successor Agency acknowledges that all conditions precedent and covenants in the Acquisition Deed of Trust relating to the original Project, including the construction thereof, are hereby deemed to be satisfied or waived.

6. **Amendment to Acquisition Note**.

(a) All references in the Acquisition Note to "Maker" are hereby made to refer to the Assignee.

(b) The Acquisition Note is hereby amended to update the referenced principal loan amount to [$1,048,767].

(c) The first paragraph of the Acquisition Note is amended to provide that interest on the Loan shall accrue from the date of this Amendment at 4.87%, compounding annually.

(d) Section 3 of the Acquisition Note is hereby amended to update the referenced maturity date to the date that is 58 years from the date this Amendment is recorded in the Official Records.

(e) Section 3.a and 3.b of the Acquisition Note are hereby amended by deleting subsection a. and b. in their entirety and replacing it with the following: "To the extent there is Surplus Cash available from the Project, Surplus Cash shall be disbursed and credited as follows: fifty percent fifty percent (50%) of the Surplus Cash from the Project shall be paid to the Holder and shall be used to repay amounts due and owing hereunder, and the remaining fifty percent (50%) of the Surplus Cash from the Project shall be paid to or retained by the Maker.

(f) Section 3 of the Note is hereby amended to add the following at the end of the Section:

> Notwithstanding anything to the contrary contained herein, the allocation of the share of Surplus Cash to be paid to Holder pursuant to Sections 3.a and 3.b above shall be split among all of the soft lender loans, which include the Acquisition Loan ([$1,048,767]), Permanent Loan ([$3,252,852]), and the GVRD Loan ([$1,326,608]), in proportion to the original principal amount of each loan as of the date hereof, on a pro-rata basis, as follows:

| | |
|---|---|
| Acquisition Loan | [19%] |
| Permanent Loan | [58%] |
| GVRD Loan | [24%] |
| **Total:** | **100%** |

(g) Section 4.a of the Acquisition Note is hereby amended to provide that the defined operating expenses shall include a general partnership management fee in the amount of $35,000 for 2026 and increasing at a rate of 3% annually thereafter, a limited partner asset management fee in the amount of $7,500 for 2026 and increasing at a rate of 3% annually thereafter, resident services fees, a property management fee in the amount of $105,000 for 2026 and increasing at a rate of 3.5% annually (or such greater amount approved in the annual budget, any Credit Deficiencies and Tax Equivalency Payments (as defined in the Partnership Agreement), any Default Cash Priority (as defined in the Partnership Agreement), any replenishment of the Operating Reserve or Replacement Reserve (as required per the Partnership Agreement), thereafter, insurance premiums, repayment of development advances and partner loans in accordance with the limited partnership agreement of Assignee, capital improvements, and legal services.

(h) Section 4.b(i) of the Acquisition Note is hereby amended to replace the maximum management fee amount with a cross reference to the amount authorized at Section 4.a.

(i) The Successor Agency acknowledges that all conditions precedent and covenants in the Acquisition Note relating to the original Project, including the construction thereof, are hereby deemed to be satisfied or waived

7. **Amendment to Permanent Deed of Trust**.

(a) All references in the Permanent Deed of Trust to "Trustor" are hereby made to refer to the Assignee.

(b) Section 1 of the Permanent Deed of Trust is hereby amended to update the referenced principal loan amount to [$3,252,852].

(c) The Permanent Deed of Trust is hereby amended to add a new Section 2 as follows:

> The Deed of Trust shall at all times be subordinate to the construction loan from US Bank and the permanent loan from the San Francisco Housing Accelerator Fund (or its affiliates or assigns) encumbering the Property, and the City agrees to execute and deliver such subordination agreements or other instruments as may be required by said lender from time to time to effectuate such subordination.

(d) The Successor Agency acknowledges that all conditions precedent and covenants in the Permanent Deed of Trust relating to the original Project, including the construction thereof, are hereby deemed to be satisfied or waived.

8. **Amendment to Permanent Note**.

(a) All references in the Permanent Note to "Maker" are hereby made to refer to the Assignee.

(b) The Permanent Note is hereby amended to update the referenced principal loan amount to [$3,252,852].

(c) The first paragraph of the Permanent Note is amended to provide that interest on the Loan shall accrue from the date of this Amendment at 4.87, compounding annually.

(d) Section 3 of the Permanent Note is hereby amended to update the referenced maturity date to the date that is 58 years from the date this Amendment is recorded in the Official Records.

(e) Section 3.a and 3.b of the Permanent Note are hereby amended by deleting subsection a. and b. in their entirety and replacing it with the following: "To the extent there is Surplus Cash available from the Project, Surplus Cash shall be disbursed and credited as follows: fifty percent fifty percent (50%) of the Surplus Cash from the Project shall be paid to the Holder and shall be used to repay amounts due and owing hereunder, and the remaining fifty percent (50%) of the Surplus Cash from the Project shall be paid to or retained by the Maker.

(f) Section 3 of the Note is hereby amended to add the following at the end of the Section:

> Notwithstanding anything to the contrary contained herein, the allocation of the share of Surplus Cash to be paid to Holder pursuant to Sections 3.a and 3.b above shall be split among all of the soft lender loans, which include the Acquisition Loan ([$1,048,767]), Permanent Loan ([$3,252,852]), and the GVRD Loan ([$1,326,608]), in proportion to the original principal amount of each loan as of the date hereof, on a pro-rata basis, as follows:

| | |
|---|---|
| Acquisition Loan | [19%] |
| Permanent Loan | [58%] |
| GVRD Loan | [24%] |
| **Total:** | **100%** |

(g) Section 4.a of the Permanent Note is hereby amended to provide that the defined operating expenses shall include a general partnership management fee in the amount of [$35,000] for 2026 and increasing at a rate of 3% annually thereafter, a limited partner asset management fees in the amount of [$7,500] for 2026 and increasing at a rate of 3% annually thereafter, resident services fees, a property management fee in the amount of [$105,000] for 2026 and increasing at a rate of 3.5% annually thereafter, insurance premiums, repayment of development advances and partner loans in accordance with the limited partnership agreement of Assignee, capital improvements, and legal services.

(h) Section 4(b)(i) of the Permanent Note is hereby amended to replace the maximum asset management fee and partnership management fee amounts with a cross reference to the amount authorized at Section 4.a.

(i) The Successor Agency acknowledges that all conditions precedent and covenants in the Permanent Note relating to the original Project, including the construction thereof, are hereby deemed to be satisfied or waived.

9. **Amendment to the Affordable Housing Covenant**.

(a) All references in the Affordable Housing Covenant to "Owner" are hereby made to refer to the Assignee.

(b) The parties agree that all income level definitions, including those set forth in Section 1.B of the Affordable Housing Covenant, shall reference the income limits promulgated by the California Tax Credit Allocation Committee.

(c) Section 12.a of the Affordable Housing Covenant is hereby amended to provide that the approved Project Expenses shall include a general partnership management fee in the amount of $35,000 for 2026 and increasing at a rate of 3% annually thereafter, a limited partner asset management fees in the amount of $7,500 for 2026 and increasing at a rate of 3% annually thereafter, resident services fees, a property management fee in the amount of $105,000 for 2026 and increasing at a rate of 3.5% annually (or such greater amount approved in the annual budget) thereafter, insurance premiums, repayment of development advances and partner loans in accordance with the limited partnership agreement of Assignee, capital improvements, and legal services.

(d) Section 12.b of the Affordable Housing Covenant is hereby deleted.

(e) Section 13.b of the Affordable Housing Covenant is hereby amended to provide that the Owner shall be entitled to withdraw funds from its Operating Reserve Account to fund operating expenses without Agency approval for so long as U.S. Bancorp Community Development Corporation (or its affiliate) remains an investor limited partner in the Owner, and otherwise only with prior approval of the Agency.

(f) The Successor Agency acknowledges that all conditions precedent and covenants in the Affordable Housing Covenant relating to the original Project, including the construction thereof, are hereby deemed to be satisfied or waived.

10. **General Amendments Applicable to All Loan Documents**.

(a) All notices to Maker under the Loan Documents shall be sent to:

Eden Sereno Village, L.P.
c/o Eden Housing, Inc.
22645 Grand St.,

Hayward, CA  94541

With a copy to:

Gubb & Barshay LLP
235 Montgomery Street, Suite 1110
San Francisco, CA  94104
Attention: Evan Gross, Esq.

(b) All notices to Successor Agency under the Loan Documents shall be sent to:

555 Santa Clara St
Vallejo, CA 94590
Attn:  City Manager

(c) Prior to exercising remedies under the Loan Documents, City will give Assignee's tax credit investor limited partner (the "Limited Partner") a copy of any written notice it gives to Assignee under the Loan Documents at the following address:

U.S. Bancorp Community Development Corporation
505 North Seventh Street, 10th Floor
USB Project No.: 36055
Mail Code:  SL-MO-T10F
St. Louis, MO 63101

With a copy to:

Jill Goldstein, Esq.
Kutak Rock LLP
1650 Farnam Street
Omaha, NE 68102
Phone: (402) 346-6000
Fax:  (402) 346-1148

(d) If Limited Partner presents payment or otherwise cures a monetary or non-monetary default within the cure periods set forth in the Loan Documents, Successor Agency will accept such action as curing the respective default under the Loan Documents.

(e) Successor Agency approves Limited Partner's admission to Assignee. Successor Agency will permit Limited Partner to transfer its limited partner interest to an affiliate of Limited Partner and transfer interests within the limited partner without consent. For purposes of this subparagraph, "affiliate" shall mean any entity in whom U.S. Bancorp or

Assignee's limited partner owns a majority interest. Successor Agency will permit Limited Partner to remove and/or replace the general partner of Assignee in accordance with Assignee's partnership agreement. Successor Agency shall be provided with written notice of such replacement and Successor Agency shall receive executed copies of any and all documents necessary to effect such replacement.

11. **Effective Date**. This Amendment shall be effective as of the date of recordation.

12. **Counterparts**. This Amendment may be signed by different parties hereto in counterparts with the same effect as if the signatures to each counterpart were upon a single instrument. All counterparts shall be deemed an original of this Amendment.

*[Signature Pages Follow]*

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

**ASSIGNOR**:

**SERENO VILLAGE ASSOCIATES**,
a California limited partnership

By: Eden Sereno, LLC,
a California limited liability company,
its general partner

By: Eden Investments, Inc.,
a California nonprofit public benefit corporation,
its sole member/manager

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

**ASSIGNEE**:

**EDEN SERENO VILLAGE, L.P.**,
a California limited partnership

By: Eden Sereno Village LLC,
a California limited liability company,
its general partner

By: Eden Investments, Inc.,
a California nonprofit public benefit corporation,
its sole member/manager

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

**<u>SUCCESSOR AGENCY</u>**:

**SUCCESSOR AGENCY,**
a public body, corporate and politic

By: ________________________
Name: ________________________
Its: ________________________

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, a Notary Public in and for said State, personally appeared, ________________________________________________________________________, proved to me 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_____________________________

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, a Notary Public in and for said State, personally appeared, _______________________________________________________________________, proved to me 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_____________________________

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, a Notary Public in and for said State, personally appeared, _______________________________________________________________________, proved to me 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_____________________________

**EXHIBIT A**

LEGAL DESCRIPTION

That certain parcel of land situated in the County of Solano, City of Vallejo, State of California and more particularly described as follows:

PARCEL ONE:

Portion of Parcels 1 and 2 as said Parcels are shown on that certain Parcel Map filed June 13, 2001 in Book 42 of Parcel Maps, Page 75, Solano County Records, as described in Notice of Minor Lot Line Adjustment recorded July 29, 2002 as Instrument No. 2002-00093811, being more particularly described as follows:

Beginning at the Northwestern corner of said Parcel 2; thence from said point of beginning, along the Northern line thereof, North 76° 45’ 00” East, 470.22 feet to the Northeastern corner thereof; thence along the Eastern line of said Parcels 1 and 2 South 00° 26’ 04” West, 624.22 feet; thence leaving said line South 86° 39’ 44” West, 301.50 feet to the Western line of said Parcel 2; thence along said line North 03° 20’ 16” West, 113.42 feet; thence North 19° 03’ 41” West, 445.16 feet to the point of beginning.

PARCEL TWO:

An easement designated “Mutual Access and Utility Easement” “M.A.U.E.” over Parcel 1 as shown on that certain Parcel Map filed June 13, 2001 in Book 42 of Parcel Maps, at Page 75, Solano County Records and as reserved in the Grant Deed recorded July 29, 2002 as Instrument No. 2002-00093812, for the benefit of the above described property and shall be for the benefit of and may be used by all persons who may hereinafter become owners of the land served by said easement and shall be for the purpose of ingress thereto and egress therefrom and for the construction and maintenance of public utilities.

APN: 0052-180-120

WHEN RECORDED MAIL TO:

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

Approved as to form:

By: for
Veronica Nebb, City Attorney

(SPACE ABOVE FOR RECORDER'S USE)

**SUBORDINATION AGREEMENT**
**(City of Vallejo)**

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

THIS SUBORDINATION AGREEMENT ("***Agreement***") is made as of ____________, 2026, by and among **SERENO VILLAGE, L.P.**, a California limited partnership ("***Borrower***"), the City of Vallejo as the ~~**CITY OF VALLEJO**, a municipal corporation, as the~~ successor ~~entity~~ agency to the former Redevelopment Agency of the City of Vallejo~~, a public body, corporate and politic~~ (in such capacity, "***Successor Agency***"), the **CITY OF VALLEJO**, a municipal corporation ("***City***"), **GREATER VALLEJO RECREATION DISTRICT**, a public body, corporate and politic "***GVRD***"; and together with the Successor Agency and the City, "***Junior Lienholders***"; each a "***Junior Lienholder***"), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association (together with its successors and assigns, "***Senior Lienholder***").

**RECITALS**

A. Borrower owns and intends to construct a 125-unit affordable housing apartment project to be knows as "Sereno Village" (the "***Project***") located on certain real property in Solano County, California and more particularly described on **Exhibit "A"** hereto (the "***Property***").

B. Borrower has applied to U.S. Bank National Association, a national banking association, in its capacity as agent (in such capacity, "***Agent***") for the California Municipal Finance Authority, a joint exercise of powers agency, duly organized and existing under the laws of the State of California ("***Issuer***") under and pursuant to that certain Master Agency Agreement dated as of even date herewith, between Issuer and Agent, for two (2) loans (collectively, the "***Loan***"), a tax-exempt loan in the maximum principal amount of $_______________ (the "***Tax-Exempt Loan***"), and a taxable loan in the maximum principal amount of $_______________ (the "***Taxable Loan***"), each for the purpose of financing a portion of the costs of the acquisition and rehabilitation of the Project.

C. Issuer, in order to raise sufficient funds to make the Loan to Borrower, has determined to issue those certain Multifamily Housing Revenue Bonds (Sereno Village) 2026 Series A-1, in the face amount of $_______________ (the "***Tax-Exempt Bonds***"), and those certain Multifamily Housing Revenue Bonds (Sereno Village) 2026 Series A-2, in the face amount of $___________ (the "***Taxable Bonds***"; and together with the Tax-Exempt Bonds, the "***Bonds***"). The Bonds are being issued pursuant to that certain Master Pledge and Assignment dated as of even date herewith (the "***Master Pledge***"), by and among Issuer, Agent, and Senior Lienholder and in its capacity as a holder of the Bonds (in such capacity, "***Holder***"). Upon issuance of the Bonds, all right, title and interest of Issuer (excluding the Reserved Rights (as defined in the Master Pledge)) under and in connection with the Loan will be assigned by Issuer and Agent to Holder.

D. In connection with the Loan, Borrower and Agent have entered into that certain Construction and Permanent Loan Agreement (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "***Loan Agreement***") dated as of even date herewith. The Tax-Exempt Loan is evidenced by that certain Promissory Note (Tax-Exempt Loan) dated as of even date hereof, executed by Borrower to the order of Agent in the face principal amount of $______________ (the "***Tax-Exempt Note***"). The Taxable Loan is evidenced by that certain Promissory Note (Taxable Loan) dated as of even date hereof, executed by Borrower to the order of Agent in the face principal amount of $______________ (collectively, the "***Taxable Note***"; and together with the Tax-Exempt Note, each, as the same may be amended, restated, supplemented or replaced from time to time, the "***Note***").

E. Borrower's obligations to Agent under the Note are secured by, among other things, (i) that certain Construction and Permanent Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing, dated as of even date herewith, made by Borrower for the benefit of Agent, which is being recorded substantially concurrently herewith in the Office of the County of Solano, State of California ("***Official Records***"), and which has been assigned by Agent to Bank pursuant to that certain Assignment of Deed of Trust and Related Documents dated as of even date herewith from Agent to Holder, which is being recorded in the Official Records substantially concurrently herewith (as assigned and as may be amended from time to time, including in connection with the Loan Purchase Agreement (as defined below), the "***Senior Deed of Trust***")and (ii) the Loan Documents described in the Loan Agreement. The Senior Deed of Trust, the Note and the other Loan Documents (as defined in the Loan Agreement), as the same may be supplemented or amended from time to time, including in connection with the Loan Purchase Agreement (as defined below) are hereinafter collectively referred to as the "***Senior Loan Documents***".

F. As used herein, the term "***Senior Indebtedness***" means any and all indebtedness, claims, debts, liabilities or other obligations from Borrower to Senior Lienholder under the Senior Loan Documents, together with all interest accruing thereon and all costs and expenses, including attorneys' fees, of collection thereof, whether the same accrues or is incurred before or after the commencement of any bankruptcy case by or against Borrower.

G. Concurrently herewith, The San Francisco Housing Accelerator Fund, a California nonprofit public benefit corporation ("***Permanent Lender***"), Senior Lienholder, in both its capacity as Agent and Holder, and Borrower are executing that certain Loan Purchase Agreement dated as of even date herewith (the "***Loan Purchase Agreement***"), pursuant to which Permanent Lender has agreed to purchase the Tax-Exempt Loan and the Tax-Exempt Bonds from Senior Lienholder on the "Conversion Date" referenced therein (the "**Conversion Date**"), subject to satisfaction of all of the terms and conditions set forth therein. On the Conversion Date, Senior Lienholder shall assign all of its rights, interests and obligations in, to and under this Agreement and the other Senior Loan Documents to Permanent Lender, and upon such assignment, Permanent Lender (i) shall succeed to all of the rights, interests and obligations of Senior Lienholder under this Agreement and certain of the other Senior Loan Documents, (ii) may amend, restate and replace certain of the Senior Loan Documents, including, without limitation, the Note and Senior Deed of Trust, and (iii) shall thereafter become the "Senior Lienholder" hereunder. From and after the Conversion Date, all references hereunder to the "Senior Loan Documents" shall include the amended and restated or additional permanent loan documents attached as to or described in the Loan Purchase Agreement.

H. Each of the documents listed on **Exhibit "B"** together with all other documents and materials entered into with the Junior Lienholders with respect to the Property shall be referred to collectively as the "***Junior Obligation Documents***".

I. As used herein, the term "***Junior Obligations***" means any and all indebtedness, claims, debts, liabilities or other obligations from Borrower to any Junior Lienholder under the Junior Obligation Documents, together with all costs and expenses, including attorneys' fees, of collection thereof, whether the same accrues or is incurred before or after the commencement of any bankruptcy case by or against Borrower.

J. Pursuant to the Senior Deed of Trust and the other Senior Loan Documents, Borrower is not entitled to further encumber the Property without the prior written consent of Senior Lienholder, which consent may be withheld in Senior Lienholder's sole discretion.

K. It is a condition precedent to Senior Lienholder to entering into the Senior Loan Documents (including Permanent Lender entering into the Loan Purchase Agreement and purchasing the Tax-Exempt Loan pursuant to the terms thereof) and permitting any recordation of any of the Junior Obligation Documents that the Senior Deed of Trust and the other Senior Loan Documents be and remain at all times a lien or charge upon the Property, prior and superior to the liens or charges of the Junior Obligation Documents.

K. Senior Lienholder is willing to permit recordation of the certain recordable Junior Obligation Documents, provided that (1) the Senior Deed of Trust and the other Senior Loan Documents are a lien or charge upon the Property prior and superior to the liens or charges of the Junior Obligation Documents, and (2) each Junior Lienholder will specifically subordinate the liens or charges of each of the Junior Obligation Documents to which it is a party to the lien or charge of the Senior Loan Documents.

L. Junior Lienholders are each willing that the Senior Loan Documents shall constitute a lien or charge upon the Property which is prior and superior to the liens or charges of the Junior Obligation Documents. The parties hereto enter into this Agreement for the purposes set forth in these Recitals.

M. Capitalized terms used herein and not otherwise defined shall have the meanings set forth for them in the Loan Agreement.

## AGREEMENT

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Senior Lienholder to make the Loan, it is hereby declared, understood, and agreed as follows:

1. Subordination. The Senior Deed of Trust in favor of Senior Lienholder, and all amendments, modifications, extensions and renewals thereof shall unconditionally be and remain at all times a lien or charge on the Property prior and superior to the lien or charge of the Junior Obligation Documents. Junior Lienholders intentionally and unconditionally subordinates the lien or charge of the Junior Obligation Documents in favor of the lien or charge upon said land of the Senior Deed of Trust in favor of Senior Lienholder, and understands that in reliance upon and in consideration of this subordination, specific loans and advances are being and will be made 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.

2. Only Agreement Regarding Subordination. Senior Lienholder would not permit the recordation of any Junior Obligation Documents without this Agreement. This Agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Junior Obligation Documents to the lien or charge of the Senior Deed of Trust and shall supersede and cancel, but only insofar as would affect the priority between said deeds of trust and said covenants, conditions and restrictions, any prior agreements as to such subordination, including, but not limited to, those provisions, if any, contained in the Junior Obligation Documents which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

3. Loan Disbursements. In making disbursements pursuant to any of the Senior Loan Documents, Senior Lienholder is under no obligation or duty to, nor has Senior Lienholder represented that it will, see to the application of such proceeds by the person or persons to whom Senior Lienholder disburses such proceeds, and any application or use of such proceeds for purposes other than those provided for in such Senior Loan Document(s) shall not defeat the subordination herein made in whole or in part.

4. Consent and Approval. Junior Lienholders have received and consent to and approve the Senior Loan Documents, including but not limited to any extension, modification and/or amendment of said agreements, between Borrower and Senior Lienholder. No decision by any Junior Lienholder to review or not review the Senior Loan Documents, including but not limited to the disbursement provisions contained therein, shall impair or otherwise limit the enforceability of this Agreement.

5. Other Agreements. Each Junior Lienholder and Borrower declare, agree, and acknowledge that:

5.1 Subordination of Indebtedness. Any and all Junior Obligations are hereby subordinated and subject to any and all Senior Indebtedness, as set forth herein.

5.2 Permitted Payments. Borrower may make the scheduled payments under the Junior Obligation Documents, if required, as long as all payments under the Senior Deed of Trust and the other Senior Loan Documents are current and not delinquent or in arrears, and only so long as at the time of such payment: (i) no Event of Default exists under the Loan Agreement and no event exists which, with the lapse of time or the giving of notice or both, would be an Event of Default under the Senior Indebtedness of which any Junior Lienholder has received notice; and (ii) the payment would not result in a violation of any of Borrower's financial covenants set forth in any of the documents evidencing the Loan ("***Permitted Payments***").

5.3 Payment Subordination. Except for any Permitted Payments, (a) all of the Senior Indebtedness now or hereafter existing shall be first paid in full by Borrower before any payment shall be made by Borrower on the Junior Obligations, and (b) this priority of payment shall apply at all times until all of the Senior Indebtedness has been repaid in full. In the event of any assignment by Borrower for the benefit of Borrower's creditors, or any bankruptcy proceedings instituted by or against Borrower, or the appointment of any receiver for Borrower or Borrower's business or assets, or of any dissolution or other winding up of the affairs of Borrower or of Borrower's business, and in all such cases respectively, Borrower's officers and any assignee, trustee in bankruptcy, receiver and other person or persons in charge are hereby directed to pay to Senior Lienholder the full amount of the Senior Indebtedness before making any payments to any Junior Lienholder due under the Junior Obligations.

5.4 Return of Prohibited Payments. Except as otherwise expressly agreed to herein, if any Junior Lienholder shall receive any payments or other rights in any property of Borrower in connection with the Junior Obligations in violation of this Agreement, such payment or property shall immediately be delivered and transferred to Senior Lienholder after notice to such Junior Lienholder.

5.5 Repayment of Senior Indebtedness. This Agreement shall remain in full force and effect until all amounts due under the Note and the Loan Agreement are fully repaid in accordance with its terms and all of the terms of this Agreement have been complied with.

5.6 Standstill. Each Junior Lienholder agrees that, without the Senior Lienholder's prior written consent, it will not accelerate the Junior Obligations, commence foreclosure proceedings with respect to the Property, collect rents, appoint (or seek the appointment of) a receiver or institute any other collection or enforcement action.

5.7 Assignment or Modification of Junior Obligation Documents. The Borrower and Junior Lienholder each agree that, until the principal of, interest on and all other amounts payable under the Senior Loan Documents have been paid in full, it will not, without the prior written consent of the Senior Lienholder in each instance (which shall not be unreasonably withheld or delayed), amend or modify any provision of the Junior Obligation Documents. Junior Lienholder further agrees that it may not assign any portion of its interest in the Junior Obligation Documents without the prior written consent of Senior Lienholder.

6. Senior Lienholder Agreements.

6.1 Senior Lienholder 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 Junior Lienholders have first been given forty-five~~thirty~~ (~~30~~45) days written notice of the Event(s) of Default giving Senior Lienholder the right to complete such Foreclosure Remedy, and unless Junior Lienholders have failed, within such forty-five~~thirty~~ (~~30~~45) day period, to cure such Event(s) of Default; provided, however, that Senior Lienholder shall be entitled during such forty-five~~thirty~~ (~~30~~45) day period to continue to pursue all of its rights and remedies under the Loan Documents, including, but not limited to, acceleration of the Loan (subject to any de-acceleration provisions specifically set forth in the Senior Loan Documents), commencement and pursuit of a judicial or non-judicial foreclosure (but not completion of the foreclosure sale), appointment of a receiver, enforcement of any guaranty (subject to any notice and cure provisions contained therein), and/or enforcement of any other Senior Loan Document. In the event Senior Lienholder has accelerated the Senior Loan and any Junior Lienholder cures all Events of Default giving rise to such acceleration within the forty-five~~thirty~~ (~~30~~45) day cure period described above, such cure shall have the effect of de-accelerating the Loan; provided, however, that such de-acceleration shall not waive or limit any of Senior Lienholder's rights to accelerate the Loan or exercise any other remedies under the Senior Loan Documents as to any future or continuing Events of Default. It is the express intent of the parties hereunder that Senior Lienholder shall have the right to pursue all rights and remedies except completion of a Foreclosure Remedy without liability to Junior Lienholders for failure to provide timely notice to Junior Lienholders required hereunder, and that Senior Lienholder's liability hereunder shall be expressly limited to actual and consequential damages to Junior Lienholders directly caused by Senior Lienholder's completion of a Foreclosure Remedy without Junior Lienholders receiving the notice and opportunity to cure described above. Senior Lienholder shall give Junior Lienholders notice at the address set forth below or such other address as Junior Lienholders may instruct Senior Lienholder in writing from time to time:

City of Vallejo
555 Santa Clara St.
Vallejo, CA 94590
Attention: City Manager

7. Bankruptcy Provisions.

7.1 In the event of any proceedings to liquidate, dissolve or wind up the Borrower, or of any execution, sale, receivership, insolvency, bankruptcy, liquidation, readjustment, reorganization, or other similar proceedings relative to the Borrower or its property (a "***Bankruptcy Proceeding***"), to the fullest extent permitted by law, the payment and lien priorities set forth in this Agreement shall be respected and enforced in any such Bankruptcy Proceeding, and Junior Lienholder and Borrower agree not to contest such priorities in any Bankruptcy Proceeding. Without limitation to the foregoing, the Loan shall be preferred in payment over all of the Junior Obligations and shall be paid in full before any payment is made upon any of the Junior Obligations; and any payment or distribution of any kind or character, whether in cash, property or securities, made upon or in respect of any of the Junior Obligations as a result of any such proceeding shall be paid over to the Senior Lienholder for application in payment of the Loan unless and until the Loan shall have been paid or satisfied in full. Junior Lienholder agrees that during the term of this Agreement it will not commence, or join with any other creditor in commencing, any Bankruptcy Proceeding with respect to the Borrower without (i) sixty (60) days prior written notice to the Senior Lienholder of such intent, and (ii) indefeasible payment in full of the outstanding principal balance of and all accrued and unpaid interest under the Loan, together with all other amounts secured by the Senior Mortgage. Upon the occurrence of any Bankruptcy Proceeding with respect to the Borrower, Junior Lienholder agrees to fully cooperate with Senior Lienholder in connection with such Bankruptcy Proceeding and to refrain from taking any actions which are inconsistent with the agreements contained in this Agreement. Without limitation to the foregoing, Junior Lienholder shall (i) consent to and vote in favor of any and all actions taken by Senior Lienholder in any Bankruptcy Proceeding to permit the commencement or continuation of any foreclosure of the Senior Mortgage; and (ii) not propose any plan, or vote to confirm or take any other action in support of any plan or other course of action proposed by Borrower or any other party (other than Senior Lienholder), which would have the effect of (A) impairing the priority or lien of the Loan, or (B) delaying, preventing, limiting, requiring a reduction in the amount of or impairing Senior Lienholder's collection of all or any portion of the Loan.

7.2 To the extent any payment under any Senior Loan Document (whether by or on behalf of Borrower, as proceeds of security or enforcement of any right of set-off, or otherwise) is declared to be fraudulent or preferential, set aside or required to be paid to a trustee, receiver or other similar party in any Bankruptcy Proceeding, then if such payment is recovered by, or paid over to, such trustee, receiver or other similar party, the Senior Indebtedness or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

8. Casualty Insurance Proceeds; Condemnation Proceeds. In the event Senior Lienholder shall release, for the purposes of restoration of all or any part of the improvements, its right, title and interest in and to the proceeds under policies of insurance thereon, and/or its right, title and interest in and to any awards, or its right, title and interest in and to other compensation made for any damages, losses or compensation for other rights by reason of a taking in eminent domain, Junior Lienholders shall simultaneously release (and hereby agrees that it shall be irrevocably and unconditionally deemed to have agreed to release) for such purpose all of any Junior Lienholder's right, title and interest, if any, in and to all such insurance proceeds, awards or compensation. Each Junior Lienholder agrees that the balance of such proceeds remaining after such restoration, or all of such proceeds in the event Senior Lienholder elects, in accordance with California law, not to release any such proceeds for any such restoration, shall be applied to the payment of amounts due under the Senior Loan Documents until all such amounts have been paid in full, prior to being applied to the payment of any amounts due under the Junior Obligation Documents. If Senior Lienholder holds such proceeds, awards or compensation and/or monitors the disbursement thereof, each Junior Lienholder agrees that Senior Lienholder may also elect, in its sole and absolute discretion, to hold and monitor the disbursement of such proceeds, awards and compensation to which such Junior

Lienholder is or may be entitled. Nothing contained in this Agreement shall be deemed to require Senior Lienholder, in any way whatsoever, to act for or on behalf of any Junior Lienholder or to hold or monitor any proceeds, awards or compensation in trust for or on behalf of any Junior Lienholder, and all or any of such sums so held or monitored may be commingled with any funds of Senior Lienholder.

9. Effect of Other Agreements. The relationship between Borrower and Senior Lienholder under the Senior Loan Documents is, and shall at all times remain, solely that of borrower and lender. Based thereon, each Junior Lienholder acknowledges and agrees that Senior Lienholder neither undertakes nor assumes any fiduciary responsibility or other responsibility or duty to Borrower or any Junior Lienholder to guarantee or assist in Borrower's or any Junior Lienholder's performance under any of the agreements between those parties and other third parties, including without limitation the Junior Obligation Documents.

10. Miscellaneous. This Agreement may be executed in multiple counterparts and the signature page(s) and acknowledgment(s) assembled into one original document for recordation, and the validity hereof shall not be impaired by reason of such execution in multiple counterparts. This Agreement is to be governed according to the laws of the State of California. In the event of action, suit, proceeding or arbitration to enforce any term of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party, as determined by the court or arbitrator, all of the prevailing party's costs and expenses, including without limitation attorneys' fees and expert witness fees, incurred by the prevailing party in connection therewith. If any Junior Lienholder or any affiliate of any Junior Lienholder shall acquire, by indemnification, subrogation or otherwise, any lien, estate, right or other interest in the Property, that lien, estate, right or other interest shall be subordinate to the Senior Deed of Trust and the other Senior Loan Documents as provided herein, and each Junior Lienholder hereby waives, on behalf of itself and such affiliate, until all amounts owed under the Senior Loan Documents have been indefeasibly paid in full and all Senior Lienholder's obligations to extend credit under the Senior Loan Documents have terminated, the right to exercise any and all such rights it may acquire by indemnification, subrogation or otherwise. The Agreement shall inure to the benefit of, and the binding upon, the parties hereto and the respective successors and assigns. Senior Lienholder may assign its interest in the Senior Loan Documents without notice to or consent of Junior Lienholder, including, without limitation, to Permanent Lender on the Conversion Date. Junior Lienholder agrees that its agreement to subordinate hereunder shall extend to the Permanent Loan on the Conversion Date. Thereafter, Junior Lienholder agrees that its agreement to subordinate hereunder shall extend to a one-time right to refinance the Permanent Loan (including reasonable and necessary costs associated with the closing and/or the refinancing) provided that the amount of the new debt is not greater than the then-outstanding balance payable under the Permanent Loan (including reasonable and necessary costs associated with the closing and/or the refinancing); and that all the terms and covenants of this Agreement shall inure to the benefit of any holder of any such refinanced debt; and agrees to execute a subordination agreement in substantially the same form as this Agreement if required by such refinance lender. Junior Lienholder acknowledges and agrees that if Permanent Lender purchases the Loan and Senior Loan in accordance with the terms of the Loan Purchase Agreement, then upon Senior Lienholder's assignment to Permanent Lender of its rights, title, interests and obligations in, to and under the Senior Loan on the Conversion Date, Permanent Lender shall succeed to all of Senior Lienholder's rights, interests and obligations under this Agreement and the other Senior Loan Documents, and Junior Lienholder shall recognize Permanent Lender as the "Senior Lienholder" under this Agreement.

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

**JUNIOR LIENHOLDERS**:

**SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO**
~~**THE CITY OF VALLEJO,**~~
~~a municipal corporation, as successor entity to the former Redevelopment Agency to the City of Vallejo~~

By: ____________________________
Name: ____________________________

Its: Acting Executive Director

**THE CITY OF VALLEJO,**
A municipal corporation

By: ____________________________
Name: ____________________________
Its: Acting City Manager

**GREATER VALLEJO RECREATION DISTRICT**,
A public body, corporate and politic

By: ____________________________
Name: ____________________________
Its: ____________________________

**BORROWER**:

**EDEN SERENO VILLAGE, L.P.**,
a California limited partnership

By: Eden Sereno Village LLC,
a California limited liability company,
its general partner

By: Eden Investments, Inc.,
a California nonprofit public benefit corporation,
its sole member/manager

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

**SENIOR LIENHOLDER**:

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

By: ________________________________
Jennifer Stolen
Vice President

## ACKNOWLEDGMENT

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|---|
| 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 ____________________ )
) ss
County of ________________________)

On ___________________, 2026 before me, __________________________________________, a Notary Public, personally appeared, __________________, who proved to me on the basis of satisfactory evidence to be the person (s) whose name (s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her their authorized capacity (ies), and that by his/her/their signature (s) on the instrument the person (s), or the entity upon behalf of which the person (s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature______________________________

(SEAL)

**ACKNOWLEDGMENT**

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

State of California )
) ss
County of ________________________)

On ___________________, 2026 before me, __________________________________________, a Notary Public, personally appeared, _________________, who proved to me on the basis of satisfactory evidence to be the person (s) whose name (s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her their authorized capacity (ies), and that by his/her/their signature (s) on the instrument the person (s), or the entity upon behalf of which the person (s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature______________________________

(SEAL)

## ACKNOWLEDGMENT

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

State of ___________________________)
) ss
County of _________________________)

On ___________________, 2026 before me, __________________________________________, a Notary Public, personally appeared, __________________, who proved to me on the basis of satisfactory evidence to be the person (s) whose name (s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her their authorized capacity (ies), and that by his/her/their signature (s) on the instrument the person (s), or the entity upon behalf of which the person (s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of ______________ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature______________________________

(SEAL)

**EXHIBIT "A"**

Legal Description

## EXHIBIT "B"

## Junior Obligation Documents

1. Participation Agreement dated as of November 30, 2000, by and between Redevelopment Agency of the City of Vallejo ("**RDA**") (predecessor-in-interest to Successor Agency) and Eden Sereno Village Associates, a California limited partnership ("**Former Owner**") (predecessor-in-interest to Borrower), as amended by the Successor Agency Assignment and Amendment (defined below) (the "**Junior Participation Agreement**").

2. Promissory Note dated as of November 30, 2000, executed by Former Owner in favor of the RDA, in the face principal amount of $600,000, as amended by the Successor Agency Assignment and Amendment (defined below) (the "**Junior Acquisition Note**").

3. Deed of Trust with Assignment of Rents dated as of November 30, 2000, executed by Former Owner in favor of the RDA which recorded in the Official Records on December 5, 2000, as Instrument No. 2000-00103136, as amended by the Successor Agency Assignment and Amendment (defined below), and securing the Junior Acquisition Note (the "**Junior Acquisition Deed of Trust**").

4. Promissory Note dated as of February 11, 2002, executed by Former Owner in favor of the RDA, in the face principal amount of $1,900,000 (the "**Junior Permanent Note**"), as amended by the Successor Agency Assignment and Amendment (defined below).

5. Deed of Trust with Assignment of Rents dated as of February 11, 2002, executed by Former Owner in favor of the RDA which recorded in the Official Records on February 13, 2002, as Instrument No. 2002-00019392, as amended by the Successor Agency Assign and Amendment (defined below), and securing the Junior Permanent Note (the "**Junior Permanent Deed of Trust**").

6. Affordable Housing Covenant dated November 30, 2000, from Former Owner to the RDA, which recorded in the Official Records on December 5, 2000 as Instrument No. 2000-00103135, as amended by that certain Amendment to Affordable Housing Covenant dated February 8, 2002, which recorded in the Official Records on February 13, 2002 as Instrument No. 2002-00019388, and as amended by that certain Second Amendment to Affordable Housing Covenant dated December 12, 2011, and which recorded in the Official Records on January 1, 2012 as Instrument No. 2012-00009297, as amended by the Successor Agency Assignment and Amendment (defined below).

7. Assignment and Assumption and Amendment of Loan Documents dated as of _________, by and among Former Owner, Borrower and Successor Agency (the "**Successor Agency Assignment and Amendment**"), which is recording in the Official Records substantially concurrently herewith.

8. Loan Agreement dated as of July 28, 2003, by and among the Former Owner, the City and GVRD, as amended by the City/GVRD Assignment and Amendment (defined below).

9. Promissory Note dated as of July 28, 2003, executed by Former Owner in favor of the City and GVRD, in the face principal amount of $1,602,463, as amended by the City/GVRD Assignment and Amendment (defined below) (the "**Junior GVRD Note**").

10. Short Form Deed of Trust and Assignment of Rents dated as of July 14, 2003, executed by Former Owner in favor of the City and GVRD which recorded in the Official Records on August 6, 2003, as Instrument No. 2003-00129920, as amended by the City/GVRD Assignment and Amendment (defined below), and securing the Junior GVRD Note (the "**Junior GVRD Deed of Trust**").

11. Any UCC-1 Financing Statement(s) naming Borrower, as Debtor, and any Junior Lienholder, as Secured Party.