

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

Wells Fargo Bank, National Association
MAC D1086-239
550 S Tryon Street, 23rd Floor
Charlotte, NC 28202
Attention: Brittany Hudson
Loan No. 1021703

**SPACE ABOVE LINE
FOR RECORDER'S USE**

**SUBORDINATION AGREEMENT
(City of Riverside - HHAP)**

This SUBORDINATION AGREEMENT (this "**Agreement**") dated as of April 8, 2026, is executed by and among (i) WELLS FARGO BANK, NATIONAL ASSOCIATION ("**Senior Lender**"), (ii) the CITY OF RIVERSIDE, a California charter city and municipal corporation ("**Subordinate Lender**"), and (iv) MULBERRY GARDENS SENIOR, L.P., a California limited partnership ("**Borrower**").

RECITALS:

A. Borrower has acquired a leasehold interest in that certain real property located in the City of Riverside, Riverside County, California, more particularly described on Exhibit A attached hereto, to construct certain improvements thereon consisting generally of a 59-unit multifamily apartment facility (the "**Project**"), together with related amenities (such Borrower's leasehold interest in the real property and Borrower's fee interest in the improvements located or to be located thereon described above are collectively referred to herein as the "**Mortgaged Property**").

B. Pursuant to that certain Construction Loan Agreement dated as of April 30, 2024 (the "**Senior Loan Agreement**"), executed by and between Borrower and Senior Lender, Senior Lender agreed to make a loan to Borrower in the total principal amount of \$21,198,841 (the "**Senior Loan**"), in order to enable Borrower to finance the construction of the Project. The obligations of the Borrower in connection with the Senior Loan Agreement are evidenced by that certain Promissory Note Secured by Deed of Trust dated as of April 30, 2024 (the "**Senior Note**") made by Borrower to the order of Senior Lender, and are secured by, among other things, that certain Construction Leasehold Deed of Trust With Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing (the "**Senior Security Instrument**"), dated as of April 30, 2024, executed by Borrower as Trustor, naming TRSTE, Inc., a Virginia corporation, as Trustee and Senior Lender as Beneficiary, and recorded in the Official Records of Riverside County (the "**Official Records**") on April 30, 2024 as Document No. 2024-0125688, encumbering the Mortgaged Property. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Senior Loan Agreement.

B. Subordinate Lender has agreed to make a loan to Borrower in the original principal amount of Two Million Twenty-Five Thousand Three Hundred Sixty-Five Dollars (\$2,025,365) (the "**Subordinate Loan**") pursuant to that certain Homeless Housing, Assistance, and Prevention Program (HHAP) Round 3 Loan Agreement, dated on or about the date hereof, by and between Subordinate Lender and Borrower (the "**Subordinate Loan Agreement**"). The Subordinate Loan is evidenced by that certain HHAP-3 Promissory Note, dated on or about the date hereof (the "**Subordinate Note**"), made by Borrower to the order of Subordinate Lender, and secured by that certain HHAP-3 Leasehold Deed of Trust, Fixture Filing, and Assignment of Rents dated on or about the date hereof, executed by Borrower for the benefit of Subordinate Lender as Beneficiary, to be recorded substantially concurrently herewith in the Official Records (the "**Subordinate Mortgage**"). In connection with the Subordinate Loan, Borrower has agreed to restrict the

Mortgaged Property pursuant to that certain HHAP-3 Regulatory Agreement (the "**Regulatory Agreement**"), by and between the Borrower and Subordinate Lender, to be recorded substantially concurrently herewith in the Official Records.

D. As a condition to Senior Lender making the Senior Loan, Senior Lender requires that the Senior Loan Documents have priority over the Subordinate Loan Documents.

E. Subordinate Lender and Borrower agree to the subordination in favor of Senior Lender.

AGREEMENTS:

NOW, THEREFORE, in order to induce Senior Lender to make the Senior Loan, and to permit the Subordinate Loan to Borrower and to allow a subordinate mortgage lien against the Mortgaged Property, and in consideration thereof, Senior Lender, Subordinate Lender and Borrower agree as follows:

1. **Recitals.** The recitals set forth above are incorporated herein by reference.

2. **Definitions.**

In addition to the terms defined in the Recitals to this Agreement, for purposes of this Agreement the following terms have the respective meanings set forth below:

"Affiliate" means, when used with respect to a Person, any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust or individual controlled by, under common control with, or which controls such Person (the term "control" for these purposes shall mean the ability, whether by the ownership of shares or other equity interests, by contract or otherwise, to elect a majority of the directors of a corporation, to make management decisions on behalf of, or independently to select the managing partner of, a partnership, or otherwise to have the power independently to remove and then select a majority of those individuals exercising managerial authority over an entity, and control shall be conclusively presumed in the case of the ownership of fifty percent (50%) or more of the equity interests).

"Borrower" means the Person named as such in the first paragraph of this Agreement, any successor or assign of Borrower, including without limitation, a receiver, trustee or debtor-in-possession and any other Person (other than Senior Lender) who acquires title to the Mortgaged Property after the date of this Agreement.

"Business Day" means any day other than Saturday, Sunday or a day on which Senior Lender is not open for business.

"Default Notice" means: (a) a copy of any written notice from Senior Lender to Borrower and Subordinate Lender stating that a Senior Loan Default has occurred under the Senior Loan Documents; or (b) a copy of the written notice from Subordinate Lender to Borrower and Senior Lender stating that a Subordinate Loan Default has occurred under the Subordinate Loan Documents or Regulatory Agreement. Each Default Notice shall specify the default upon which such Default Notice is based.

"Person" means an individual, an estate, a trust, a corporation, a partnership, a limited liability company or any other organization or entity (whether governmental or private).

"Regulatory Agreement" has the meaning ascribed to such term in the Recitals.

"Senior Lender" means the Person named as such in the first paragraph of this Agreement, its successors and assigns and any other Person who becomes the legal holder of the Senior Loan after the date of this Agreement.

“Senior Loan Default” means the occurrence of an “Event of Default” as that term is defined in the Senior Loan Documents.

“Senior Loan Documents” means the Senior Security Instrument, the Senior Note, the Senior Loan Agreement, and all other “Loan Documents” as that term is defined in the Senior Loan Agreement.

“Subordinate Lender” means the Person named as such in the first paragraph of this Agreement, any successor or assign of Subordinate Lender, including without limitation, a receiver, trustee or debtor-in-possession and any other Person who becomes the legal holder of the Subordinate Note after the date of this Agreement.

“Subordinate Loan Default” means a default by Borrower in performing or observing any of the terms, covenants or conditions in the Subordinate Loan Documents or Regulatory Agreement to be performed or observed by it, which continues beyond any applicable period provided in the Subordinate Loan Documents or Regulatory Agreement for curing the default.

“Subordinate Loan Documents” means the Subordinate Loan Agreement, Subordinate Note, Subordinate Mortgage, and all other documents evidencing, securing or otherwise executed and delivered in connection with the Subordinate Loan, but excluding the Regulatory Agreement.

3. Permission to Place Mortgage Lien Against Mortgaged Property.

Senior Lender agrees, notwithstanding the prohibition against inferior liens on the Mortgaged Property contained in the Senior Loan Documents and subject to the provisions of this Agreement, to permit Subordinate Lender to record the Subordinate Mortgage and other recordable Subordinate Loan Documents and Regulatory Agreement against the Mortgaged Property to secure Borrower’s obligation to repay the Subordinate Note and all other obligations, indebtedness and liabilities of Borrower to Subordinate Lender under and in connection with the Subordinate Loan.

4. Borrower’s and Subordinate Lender’s Representations and Warranties.

Borrower and Subordinate Lender each makes the following representations and warranties to Senior Lender:

(a) Subordinate Loan. The Subordinate Loan is evidenced by the Subordinate Note and is secured by the Subordinate Mortgage and the Subordinate Loan Documents.

(b) Subordinate Note. The indebtedness evidenced by the Subordinate Note is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by the Senior Note. The rights and remedies of the payee and each subsequent holder of the Subordinate Note are subject to the restrictions and limitations set forth in this Agreement. Each subsequent holder of the Subordinate Note shall be deemed, by virtue of such holder's acquisition of the Subordinate Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by Subordinate Lender under this Agreement.

(c) Subordinate Mortgage and Subordinate Loan Documents. The Subordinate Mortgage and other Subordinate Loan Documents are and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Security Instrument, and the terms, covenants and conditions of the Senior Loan Agreement, as more fully set forth in this Agreement.

(d) Relationship of Borrower to Subordinate Lender and Senior Lender. Subordinate Lender is not an Affiliate of Borrower and is not in possession of any facts which would lead it to believe that Senior Lender is an Affiliate of Borrower.

(e) Term. The term of the Subordinate Note does not end before the stated term of the Senior Note.

(f) Delivery of Subordinate Loan Documents and Regulatory Agreement. The executed Subordinate Loan Documents and Regulatory Agreement are substantially in the same forms as those submitted to, and approved by, Senior Lender prior to the date of this Agreement. Upon execution and delivery of the Subordinate Loan Documents and Regulatory Agreement, Borrower shall deliver to Senior Lender an executed copy of each of the Subordinate Loan Documents and Regulatory Agreement, certified to be true, correct and complete.

(g) Delivery of Senior Loan Documents. Upon execution and delivery of the Senior Loan Documents, Borrower shall deliver to Subordinate Lender an executed copy of each of the Senior Loan Documents, certified to be true, correct and complete.

5. Terms of Subordination.

(a) Agreement to Subordinate. Senior Lender and Subordinate Lender agree that (1) the indebtedness evidenced by the Subordinate Loan Documents is and shall be subordinated in right of payment, to the extent and in the manner provided in this Agreement, to the prior payment in full of the indebtedness evidenced by the Senior Loan Documents, and (2) the liens, terms, covenants and conditions of the Subordinate Mortgage and the other Subordinate Loan Documents (but not the Regulatory Agreement) are and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Security Instrument and the other Senior Loan Documents and to all advances heretofore made or which may hereafter be made pursuant to the Senior Security Instrument and the other Senior Loan Documents (including, but not limited to, all sums advanced for the purposes of (A) protecting or further securing the lien of the Senior Security Instrument, curing defaults by Borrower under the Subordinate Loan Documents or Regulatory Agreement or for any other purpose expressly permitted by the Senior Loan Documents, or (B) constructing, renovating, repairing, furnishing, fixturing or equipping the Mortgaged Property).

(b) Subordination of Subrogation Rights. Subordinate Lender agrees that if, by reason of its payment of real estate taxes or other monetary obligations of Borrower, or by reason of its exercise of any other right or remedy under the Subordinate Loan Documents, it acquires by right of subrogation or otherwise a lien on the Mortgaged Property which (but for this subsection) would be senior to the lien of

the Senior Security Instrument, then, in that event, such lien shall be subject and subordinate to the lien of the Senior Security Instrument.

(c) Payments Before Senior Loan Default. Until Subordinate Lender receives a Default Notice (or otherwise acquires actual knowledge) of a Senior Loan Default, Subordinate Lender shall be entitled to retain for its own account all payments made under or pursuant to the Subordinate Loan Documents.

(d) Payments After Senior Loan Default. Borrower agrees that, after it receives a Default Notice (or otherwise acquires knowledge) of a Senior Loan Default, it will not make any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorneys' fees, or any other sums secured by the Subordinate Loan Documents) without Senior Lender's prior written consent. Subordinate Lender agrees that, after it receives a Default Notice from Senior Lender with written instructions directing Subordinate Lender not to accept payments from Borrower on account of the Subordinate Loan, it will not accept any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorneys' fees, or any other sums secured by the Subordinate Loan Documents) without Senior Lender's prior written consent. If Subordinate Lender receives written notice from Senior Lender that the Senior Loan Default which gave rise to Subordinate Lender's obligation not to accept payments has been cured, waived, or otherwise suspended by Senior Lender, the restrictions on payment to Subordinate Lender in this Section 5 shall terminate, and Senior Lender shall have no right to any subsequent payments made to Subordinate Lender by Borrower prior to Subordinate Lender's receipt of a new Default Notice from Senior Lender in accordance with the provisions of this Section 5(d).

(e) Remitting Subordinate Loan Payments to Senior Lender. If, after Subordinate Lender receives a Default Notice from Senior Lender in accordance with Section 5(d), Subordinate Lender receives any payments under the Subordinate Loan Documents, Subordinate Lender agrees that such payment or other distribution will be received and held in trust for Senior Lender, and unless Senior Lender otherwise notifies Subordinate Lender in writing, will be promptly remitted, in kind to Senior Lender, properly endorsed to Senior Lender, to be applied to the principal of, interest on and other amounts due under the Senior Loan Documents in accordance with the provisions of the Senior Loan Documents. By executing this Agreement, Borrower specifically authorizes Subordinate Lender to endorse and remit any such payments to Senior Lender and specifically waives any and all rights to have such payments returned to Borrower or credited against the Subordinate Loan. Borrower and Senior Lender acknowledge and agree that payments received by Subordinate Lender, and remitted to Senior Lender, under this Section 5, shall not be applied or otherwise credited against the Subordinate Loan, nor shall the tender of such payment to Senior Lender waive any Subordinate Loan Default which may arise from the inability of Subordinate Lender to retain such payment or apply such payment to the Subordinate Loan.

(f) Reserved.

(g) Agreement Not to Commence Bankruptcy Proceeding. Subordinate Lender agrees that during the term of this Agreement it will not commence, or join with any other creditor in commencing any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings against or with respect to Borrower, without Senior Lender's prior written consent.

(h) Consent to Encumbrances and Transfers. Notwithstanding anything to the contrary in the Subordinate Loan Documents, the prior written consent of the Subordinate Lender shall not be required for (i) any foreclosure, deed-in-lieu of foreclosure or other realization on the security for Senior Loan or (ii) in connection with a subsequent sale of the Property following such foreclosure, deed-in-lieu of foreclosure or other realization.

6. Default Under Subordinate Loan Documents.

(a) Notice of Subordinate Loan Default and Cure Rights. Subordinate Lender shall deliver to Senior Lender a Default Notice within five (5) Business Days in each case where Subordinate Lender has given a Default Notice to Borrower. Failure of Subordinate Lender to send a Default Notice to Senior Lender shall not prevent the exercise of Subordinate Lender's rights and remedies under the Subordinate Loan Documents or Regulatory Agreement, subject to the provisions of this Agreement. Senior Lender shall have the right, but not the obligation, to cure any Subordinate Loan Default within sixty (60) days following the date of such notice; provided, however that Subordinate Lender shall be entitled, during such sixty (60) day period, to continue to pursue its rights and remedies under the Subordinate Loan Documents and Regulatory Agreement to the extent permitted under Section 5(b). All amounts paid by Senior Lender in accordance with the Senior Loan Documents to cure a Subordinate Loan Default shall be deemed to have been advanced by Senior Lender pursuant to, and shall be secured by, the Senior Loan Agreement and the lien of the Senior Security Instrument.

(b) Subordinate Lender's Exercise of Remedies After Notice to Senior Lender. If a Subordinate Loan Default occurs and is continuing, Subordinate Lender agrees that, without Senior Lender's prior written consent, it will not commence foreclosure proceedings with respect to the Mortgaged Property under the Subordinate Loan Documents or exercise any other rights or remedies it may have under the Subordinate Loan Documents, including, but not limited to accelerating the Subordinate Loan (and enforcing any "due on sale" provision included in the Subordinate Loan Documents), collecting rents, appointing (or seeking the appointment of) a receiver or exercising any other rights or remedies thereunder unless and until it has given Senior Lender at least sixty (60) days prior written notice; provided, however that, during such sixty (60) day period, Subordinate Lender shall be entitled, following an event of default under the Subordinate Loan Documents or Regulatory Agreement, to (a) compute interest on all amounts due and payable under the Subordinate Loan at the default rate described in the Subordinate Loan Documents, or (b) compute prepayment premiums and late charges.

(c) Cross Default. Borrower and Subordinate Lender agree that a Subordinate Loan Default shall constitute a Senior Loan Default under the Senior Loan Documents and Senior Lender shall have the right to exercise all rights or remedies under the Senior Loan Documents in the same manner as in the case of any other Senior Loan Default. If Subordinate Lender notifies Senior Lender in writing that any Subordinate Loan Default of which Senior Lender has received a Default Notice has been cured or waived, as determined by Subordinate Lender in its sole discretion, then provided that Senior Lender has not conducted a sale of the Mortgaged Property pursuant to its rights under the Senior Loan Documents, any Senior Loan Default under the Senior Loan Documents arising solely from such Subordinate Loan Default shall be deemed cured, and the Senior Loan shall be reinstated, provided, however, that Senior Lender shall not be required to return or otherwise credit for the benefit of Borrower any default rate interest or other default related charges or payments received by Senior Lender during such Senior Loan Default.

7. Default Under Senior Loan Documents.

(a) Notice of Senior Loan Default and Cure Rights. Senior Lender shall deliver to Subordinate Lender a Default Notice within five (5) Business Days in each case where Senior Lender has given a Default Notice to Borrower. Failure of Senior Lender to send a Default Notice to Subordinate Lender shall not prevent the exercise of Senior Lender's rights and remedies under the Senior Loan Documents, subject to the provisions of this Section 7(a), nor shall such failure constitute a default by Senior Lender under this Agreement. Subordinate Lender shall have the right, but not the obligation, to cure any such Senior Loan Default within sixty (60) days following the date of such Default Notice or the date on which Subordinate Lender otherwise acquires actual knowledge of Senior Loan Default; provided, however, that Senior Lender shall be entitled during such sixty (60) day period to continue to pursue their respective remedies under the Senior Loan Documents. Subordinate Lender may have up to ninety (90) days from the date of the Default Notice to cure a non-monetary default if during such ninety (90) day period Subordinate Lender keeps current all payments required by the Senior Loan Documents. In the event that such a non-monetary default creates an unacceptable level of risk relative to the Mortgaged Property, or Senior Lender's secured position relative to the Mortgaged Property, as determined by

Senior Lender in its sole discretion, then Senior Lender may exercise during such ninety (90) day period all available rights and remedies to protect and preserve the Mortgaged Property and the rents, revenues and other proceeds from the Mortgaged Property. All amounts paid by Subordinate Lender to Senior Lender to cure a Senior Loan Default shall be deemed to have been advanced by Subordinate Lender pursuant to, and shall be secured by the Subordinate Note and the lien of, the Subordinate Mortgage.

(b) Cross Default. Subordinate Lender agrees that, notwithstanding any contrary provision contained in the Subordinate Loan Documents or Regulatory Agreement, a Senior Loan Default shall not constitute a default under the Subordinate Loan Documents if no other default occurred under the Subordinate Loan Documents or Regulatory Agreement until either (1) Senior Lender has accelerated the maturity of the Senior Loan, or (2) Senior Lender has taken affirmative action to exercise its rights under the Senior Loan Documents to collect rent, to appoint (or seek the appointment of) a receiver or to foreclose on (or to exercise a power of sale contained in) the Senior Loan Documents. At any time after a Senior Loan Default is determined to constitute a default under the Subordinate Loan Documents or Regulatory Agreement, Subordinate Lender shall be permitted to pursue its remedies for default under the Subordinate Loan Documents or Regulatory Agreement, subject to the restrictions and limitations of this Agreement. If at any time Borrower cures any Senior Loan Default to the satisfaction of Senior Lender, as evidenced by written notice from Senior Lender to Subordinate Lender, any default under the Subordinate Loan Documents or Regulatory Agreement arising from such Senior Loan Default shall be deemed cured and the Subordinate Loan shall be retroactively reinstated as if such Senior Loan Default had never occurred.

8. Conflict.

Borrower, Senior Lender and Subordinate Lender each agrees that, in the event of any conflict or inconsistency between the terms of the Senior Loan Documents, the Subordinate Loan Documents, the Regulatory Agreement and the terms of this Agreement, the terms of this Agreement shall govern and control solely as to the following: (a) the relative priority of the security interests of Senior Lender and Subordinate Lender in the Mortgaged Property; (b) the timing of the exercise of remedies by Senior Lender and Subordinate Lender under the Senior Loan Documents and the Subordinate Loan Documents, respectively; and (c) solely as among Senior Lender and Subordinate Lender, the notice requirements, cure rights, and the other rights and obligations which Senior Lender and Subordinate Lender have agreed to as expressly provided in this Agreement. Borrower acknowledges that the terms and provisions of this Agreement shall not, and shall not be deemed to: extend Borrower's time to cure any Senior Loan Default or Subordinate Loan Default, as the case may be; give Borrower the right to notice of any Senior Loan Default or Subordinate Loan Default, as the case may be other than that, if any, provided, respectively under the Senior Loan Documents, the Subordinate Loan Documents or the Regulatory Agreement; or create any other right or benefit for Borrower as against Senior Lender or Subordinate Lender.

9. Rights and Obligations of Subordinate Lender Under the Subordinate Loan Documents and of Senior Lender under the Senior Loan Documents.

Subject to each of the other terms of this Agreement, all of the following provisions shall supersede any provisions of the Subordinate Loan Documents or Regulatory Agreement covering the same subject matter:

(a) Protection of Security Interest. Subordinate Lender shall not, without the prior written consent of Senior Lender in each instance, take any action which has the effect of increasing the indebtedness outstanding under, or secured by, the Subordinate Loan Documents, except that Subordinate Lender shall have the right to advance funds to cure Senior Loan Defaults pursuant to Section 7(a) and advance funds pursuant to the Subordinate Loan Documents for the purpose of paying real estate taxes and insurance premiums, making necessary repairs to the Mortgaged Property and curing other defaults by Borrower under the Subordinate Loan Documents.

(b) Condemnation or Casualty. In the event of: a taking or threatened taking by condemnation or other exercise of eminent domain of all or a portion of the Mortgaged Property (collectively, a "**Taking**"); or the occurrence of a fire or other casualty resulting in damage to all or a portion of the Mortgaged Property (collectively, a "**Casualty**"), at any time or times when the Senior Security Instrument remains a lien on the Mortgaged Property the following provisions shall apply:

(1) Subordinate Lender hereby agrees that its rights (under the Subordinate Loan Documents, Regulatory Agreement or otherwise) to participate in any proceeding or action relating to a Taking and/or a Casualty, or to participate or join in any settlement of, or to adjust, any claims resulting from a Taking or a Casualty shall be and remain subject and subordinate in all respects to Senior Lender's rights under the Senior Loan Documents with respect thereto, and Subordinate Lender shall be bound by any settlement or adjustment of a claim resulting from a Taking or a Casualty made by Senior Lender; provided, however, this subsection and/or anything contained in this Agreement shall not limit the rights of Subordinate Lender to file any pleadings, documents, claims or notices with the appropriate court with jurisdiction over the proposed Taking and/or Casualty; and

(2) all proceeds received or to be received on account of a Taking or a Casualty, or both, shall be applied (either to payment of the costs and expenses of repair and restoration or to payment of the Senior Loan) in accordance with the Senior Loan Documents; provided, however, that if Senior Lender elects to apply such proceeds to payment of the principal of, interest on and other amounts payable under the Senior Loan, any proceeds remaining after the satisfaction in full of the principal of, interest on and other amounts payable under the Senior Loan shall be paid to, and may be applied by, Subordinate Lender in accordance with the applicable provisions of the Subordinate Loan Documents or Regulatory Agreement, provided however, Senior Lender agrees to consult with Subordinate Lender in determining the application of Casualty proceeds, provided further however that in the event of any disagreement between Senior Lender and Subordinate Lender over the application of Casualty proceeds, the decision of Senior Lender, in its sole discretion, shall prevail.

(c) Insurance. Subordinate Lender agrees that all original policies of insurance required pursuant to the Senior Security Instrument shall be held by Senior Lender. The preceding sentence shall not preclude Subordinate Lender from requiring that it be named as a loss payee, as its interest may appear, under all policies of property damage insurance maintained by Borrower with respect to the Mortgaged Property, provided such action does not affect the priority of payment of the proceeds of property damage insurance under the Senior Security Instrument, or that it be named as an additional insured under all policies of liability insurance maintained by Borrower with respect to the Mortgaged Property.

(d) No Modification of Subordinate Loan Documents or Regulatory Agreement. Borrower and Subordinate Lender 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 Senior Lender in each instance, increase the amount of the Subordinate Loan, increase the required payments due under the Subordinate Loan, decrease the term of the Subordinate Loan, increase the interest rate on the Subordinate Loan, or otherwise amend the Subordinate Loan terms or Regulatory Agreement in a manner that creates a material adverse effect upon Senior Lender under the Senior Loan Documents. Any unauthorized amendment of the Subordinate Loan Documents or

Regulatory Agreement or assignment of Subordinate Lender's interest in the Subordinate Loan without Senior Lender's consent shall be void ab initio and of no effect whatsoever.

10. Modification or Refinancing of Senior Loan.

Subordinate Lender consents to any agreement or arrangement in which Senior Lender waives, postpones, extends, reduces or modifies any provisions of the Senior Loan Documents, including any provision requiring the payment of money; provided, however, that Senior Lender shall not amend or modify the terms of the Senior Loan or any of the Senior Loan Documents without the prior written consent of Subordinate Lender if such amendment or modification has the effect of (i) increasing the amount of the Senior Loan, except in the case of sums advanced by Senior Lender in exercising its rights and remedies with respect to the Senior Loan; (ii) increasing the annual interest rate(s), including the default interest rate, above the interest rate(s) described in the Senior Note; or (iii) decreasing the term of the Senior Loan, except in connection with any acceleration of the Senior Loan pursuant to the terms of the Senior Loan Documents. Notwithstanding anything to the contrary contained in the Subordinate Loan Documents, Subordinate Lender further agrees that Borrower may refinance the Senior Loan with a non-profit, commercial, governmental or institutional lender without the prior consent of the Subordinate Lender, and that its agreement to subordinate hereunder shall extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior 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 that all references to the Senior Loan, the Senior Note, the Senior Loan Agreement, the Senior Security Instrument, the Senior Loan Documents and Senior Lender shall mean, respectively, the refinance loan, the refinance note loan agreement, the mortgage securing the refinance note, all documents evidencing securing or otherwise pertaining to the refinance note and the holder of the refinance note.

11. Default by Subordinate Lender or Senior Lender.

If Subordinate Lender or Senior Lender defaults in performing or observing any of the terms, covenants or conditions to be performed or observed by it under this Agreement, the other, non-defaulting lender shall have the right to all available legal and equitable relief.

12. Reinstatement.

To the extent that Borrower makes a payment to Senior Lender or Senior Lender receives any payment or proceeds of the collateral securing the Senior Loan for Borrower's benefit, which payment or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable doctrine, then, to the extent of such payment or proceeds received and not retained by Senior Lender, Borrower's obligations intended to be satisfied thereby and this Agreement shall be reinstated and continue in full force and effect until full and final payment shall have been made to Senior Lender. Subordinate Lender agrees to hold in trust for Senior Lender, and promptly remit to Senior Lender, any payments received by Subordinate Lender after such invalidated, rescinded or returned payment was originally made.

13. Notices.

(a) Process of Serving Notice.

All notices under this Agreement shall be:

- (1) in writing and shall be:
 - (A) delivered, in person;

(B) mailed, postage prepaid, either by registered or certified delivery, return receipt requested;

(C) sent by overnight courier; or

(D) sent by electronic mail with originals to follow by overnight courier;

(2) addressed to the intended recipient at the address(es) below the signature block, as applicable; and

(3) deemed given on the earlier to occur of:

(A) the date when the notice is received by the addressee; or

(B) if the recipient refuses or rejects delivery, the date on which the notice is so refused or rejected, as conclusively established by the records of the United States Postal Service or any express courier service.

(b) Change of Address.

Any party to Agreement may change the address to which notices intended for it are to be directed by means of notice given to the other parties identified in this Agreement.

(c) Receipt of Notices.

None of Senior Lender, Subordinate Lender or Borrower shall refuse or reject delivery of any notice given in accordance with this Agreement. Each party is required to acknowledge, in writing, the receipt of any notice upon request by the other party.

14. General.

(a) Assignment/Successors. This Agreement shall be binding upon Borrower, Senior Lender and Subordinate Lender and shall inure to the benefit of the respective legal successors, transferees and assigns of Borrower, Senior Lender and Subordinate Lender. Borrower shall not assign any of its rights and obligations under this Agreement without the prior written consent of Senior Lender.

(b) No Partnership or Joint Venture. Senior Lender's permission for the placement of the Subordinate Loan does not constitute Senior Lender as a joint venturer or partner of Subordinate Lender. No party hereto shall hold itself out as a partner, agent or Affiliate of any other party hereto.

(c) Senior Lender's and Subordinate Lender's Consent. Wherever Senior Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by Senior Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement. Wherever Subordinate Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by Subordinate Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement.

(d) Further Assurances. Subordinate Lender, Senior Lender and Borrower each agrees, at Borrower's expense, to execute and deliver all additional instruments and/or documents reasonably required by any other party to this Agreement in order to evidence that the Subordinate Mortgage and other Subordinate Loan Documents are subordinate to the lien, covenants and conditions of the Senior Loan Documents, or to further evidence the intent of this Agreement.

(e) Amendment. This Agreement shall not be amended except by written instrument signed by all parties hereto.

(f) Governing Law. This Agreement shall be governed by the laws of the jurisdiction in which the Mortgaged Property is located without giving effect to any choice of law provisions thereof that would result in the application of the laws of another jurisdiction. Senior Lender, Subordinate Lender and Borrower agree that any controversy arising under or in relation to this Security Instrument shall be litigated exclusively in the jurisdiction in which the Mortgaged Property is located. The state and federal courts and authorities with jurisdiction in such locale shall have exclusive jurisdiction over all controversies that arise under or in relation to this Agreement. The parties hereto irrevocably consent to service, jurisdiction, and venue of such courts for any such litigation and waive any other venue to which any might be entitled by virtue of domicile, habitual residence or otherwise.

(g) Severable Provisions. If any provision of this Agreement shall be invalid or unenforceable to any extent, then the other provisions of this Agreement, shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

(h) Term. The term of this Agreement shall commence on the date hereof and shall continue until the earliest to occur of the following events: (1) the payment in full of the principal of, interest on and other amounts payable under the Senior Loan Documents; (2) the payment in full of the principal of, interest on and other amounts payable under the Subordinate Loan Documents, other than by reason of payments which Subordinate Lender is obligated to remit to Senior Lender pursuant to Section 5 hereof, and the termination of the Regulatory Agreement; (3) the acquisition by Senior Lender of title to the Mortgaged Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Senior Loan Documents (except under such circumstance the rights and obligations of Senior Lender and Subordinate Lender with regard to the Regulatory Agreement shall remain in full effect); or (4) the acquisition by Subordinate Lender of title to the Mortgaged Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Subordinate Loan Documents, but only if such acquisition of title does not violate any of the terms of this Agreement.

(i) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one (1) and the same instrument.

(j) Sale of Senior Loan. Nothing in this Agreement shall limit Senior Lender's (including any assignee or transferee of Senior Lender) right to sell or transfer any interest in the Senior Loan. The Senior Loan or a partial interest in the Senior Loan (together with this Agreement and the other Loan Documents) may be sold one or more times without prior notice to Borrower.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, Borrower, Senior Lender and Subordinate Lender have signed and delivered this Agreement under seal (where applicable) or have caused this Agreement to be signed and delivered under seal (where applicable) by a duly authorized representative. Where applicable law so provides, Borrower, Senior Lender and Subordinate Lender intend that this Agreement shall be deemed to be signed and delivered as a sealed instrument.

SENIOR LENDER:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

Address:

Wells Fargo Bank, National Association
550 S. Tryon Street
23rd Floor, MAC# D1086-239
Charlotte, NC 28202-4200
Attn: Manager, Deal Management
Loan No. 1021703

With a copy to:

Wells Fargo Bank, National Association
Community Lending and Investment
MAC# A0119-182
333 Market Street, 18th Floor
San Francisco, CA 94105
Attention: Jeff Bennett
Loan No. 1021703

With a copy to:

KMO Partners, LLP
3777 Long Beach Boulevard, Suite 280
Long Beach, CA 90807
Attn: Caroline Woolsey

SUBORDINATE LENDER:

THE CITY OF RIVERSIDE,
a California Charter city and municipal corporation

By: _____
Mike Futrell, City Manager

Date: _____

Attest: _____
Donesia Gause, City Clerk

Date: _____

Address:

City of Riverside
3900 Main Street, 3rd Floor
Riverside, California 92522
Attn: CEDD Director

BORROWER:

MULBERRY GARDENS SENIOR, L.P.,
a California limited partnership

By: Mulberry Gardens Senior LLC,
a California limited liability company,
its General Partner

By: Eden Housing, Inc.,
a California nonprofit public benefit corporation,
its Sole Member/Manager

By: _____
Name: Aruna Doddapaneni
Title: Senior Vice President of Development

Address:
Mulberry Gardens Senior, L.P.
c/o Eden Housing, Inc.
22645 Grand Street
Hayward, CA 94541
Attention: President

With a copy to:

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

And a copy to:

Wells Fargo Bank, National Association
550 S. Tryon Street
23rd Floor, MAC D1086-239
Charlotte, NC 28202-4200
Attention: Director of Asset Management

And a copy to:

Dentons US LLP
601 South Figueroa Street, Suite 2500
Los Angeles, CA 90017-5704
Attention: Emily Bias

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 _____)
)SS.:
COUNTY OF _____)

On _____ before me, _____ (here insert name and title of 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.

Notary Public

Print Name: _____

My commission expires:

EXHIBIT A

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of Riverside, City of Riverside and described as follows:

BEING A PORTION OF LOT 38 OF THE LANDS OF THE SOUTHERN CALIFORNIA COLONY ASSOCIATION, IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP ON FILE IN BOOK 7 PAGE 3 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO, CALIFORNIA. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHERLY CORNER OF LOT 38, SAID NORTHERLY CORNER BEING THE CENTERLINE INTERSECTION OF MULBERRY STREET AND HOLDING STREET; THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 38, SOUTH 60°16'35" EAST A DISTANCE OF 30.00 FEET TO THE NORTHERLY CORNER OF THAT CERTAIN EASEMENT TO THE CITY OF RIVERSIDE FOR PUBLIC STREET PURPOSES RECORDED MAY 6, 1955 AS BOOK 1773 PAGE 154 OF OFFICIAL RECORDS OF SAID RIVERSIDE COUNTY SAID NORTHERLY CORNER BEING ALSO THE TRUE POINT OF BEGINNING; THENCE ALONG THE NORTHERLY LINE OF SAID EASEMENT SOUTH 60°16'35" EAST A DISTANCE OF 459.00 FEET; THENCE LEAVING SAID NORTHERLY LINE SOUTH 29°49' 35" WEST A DISTANCE OF 93.95 FEET; THENCE NORTH 60°16' 35" WEST A DISTANCE OF 92.23 FEET; THENCE SOUTH 29°49' 36" WEST A DISTANCE OF 82.38 FEET; THENCE NORTH 60°16' 35" WEST A DISTANCE OF 60.17 FEET; THENCE NORTH 29°49' 36" EAST A DISTANCE OF 61.12 FEET; THENCE NORTH 60°38' 59" WEST A DISTANCE OF 246.00 FEET; THENCE NORTH 29°49' 36" EAST A DISTANCE OF 2.92 FEET; THENCE NORTH 60°10' 24" WEST A DISTANCE OF 60.61 FEET TO THE SOUTHERLY RIGHT OF WAY OF MULBERRY STREET 60.00 FEET IN WIDTH; THENCE ALONG SAID SOUTHERLY RIGHT OF WAY THEREOF NORTH 29°49' 36" EAST A DISTANCE OF 113.79 FEET TO THE TRUE POINT OF BEGINNING.

AREA CONTAINS 1.25 ACRES MORE OR LESS