

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

**Deborah L. Best
Jameson Pepple Cantu PLLC
801 2nd Avenue, Suite 700
Seattle, WA 98104**

SUBORDINATION AGREEMENT

SUBORDINATION AGREEMENT (Affordable)

This SUBORDINATION AGREEMENT (this “**Agreement**”) dated as of _____, 2023, is executed by and among (i) WALKER & DUNLOP, LLC, a Delaware limited liability company (“**Senior Lender**”), (ii) CITY OF FOSTER CITY, a municipal corporation, acting in its capacity as the Successor Housing Agency to the Community Development Agency of the City of Foster City (“**Subordinate Lender**”), and (iii) PWM RESIDENTIAL VENTURE LP, a California limited partnership (“**Borrower**”).

RECITALS:

A. Pursuant to that certain Multifamily Loan and Security Agreement dated as of the date hereof, executed by and between Borrower and Senior Lender (as amended, restated, replaced, supplemented or otherwise modified from time to time, the “**Senior Loan Agreement**”), Senior Lender has agreed to make a loan to Borrower in the original principal amount of \$54,000,000 (the “**Senior Loan**”), as evidenced by that certain Multifamily Note dated as of the date hereof, executed by Borrower and made payable to the order of Senior Lender in the amount of the Senior Loan (as amended, restated, replaced, supplemented or otherwise modified from time to time, the “**Senior Note**”).

B. In addition to the Senior Loan Agreement, the Senior Loan and the Senior Note are also secured by a certain Multifamily Mortgage, Deed of Trust or Deed to Secure Debt dated as of the date hereof (as amended, restated, replaced, supplemented or otherwise modified from time to time, the “**Senior Security Instrument**”), encumbering the property described in the Senior Security Instrument as the “**Mortgaged Property**.”

C. Community Development Agency of the City of Foster City (“**Redevelopment Agency**”) made a grant to the Borrower in the amount of \$5,355,682 (“**Grant**”). The Grant was made pursuant to (i) that certain Disposition and Development Agreement dated November 15, 1999, between Redevelopment Agency and M.H. Podell Company (“**Podell**”) as amended by that certain First Amendment to Disposition and Development Agreement dated as of June 4, 2001, and (ii) that certain First Implementation Agreement to the Disposition and Development Agreement dated February 22, 2000, between Redevelopment Agency and Podell. A portion of Podell’s rights and obligations under the Disposition and Development Agreement, as amended, and the First Implementation Agreement (collectively, the “**DDA**”) were assigned by Podell to Borrower by that certain Assignment of Disposition and Development Agreement dated February 22, 2000. Pursuant to the DDA, Borrower entered into that certain Affordable Housing Covenant dated August 7, 2000 recorded in the Official Records of the County of San Mateo County, California (“**Recording Office**”) as Instrument Number 2000-099215, as supplemented by that certain Supplemental Affordable Housing Covenant dated as of September 18, 2000, recorded in the Recording Office as Instrument Number 2000-115687, and as amended by that certain First Amendment to Affordable Housing Covenant dated as of June 4, 2001, recorded in the Recording

Office as Instrument Number 2001-110835, and as amended by that certain Second Amendment to Affordable Housing Covenant dated as of June 21, 2004, recorded in the Recording Office on July 21, 2004 as Instrument Number 2004-150225 (collectively, the “**Covenant**”).

D. The obligations under the Covenant are secured by that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing recorded in the Recording Office on August 11, 2000 as Instrument No. 2000-099216, as supplemented by that certain Supplemental Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing recorded in the Recording Office on September 18, 2000 as Instrument No. 2000-115688, as modified by that certain First Modification to Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, recorded in the Recording Office on July 23, 2001, as Instrument No. 2001-110836 and further modified by that certain Second Modification to Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, recorded in the Recording office on July 21, 2004 as Instrument No. 2004-150222 (collectively, the “**Subordinate Mortgage**”) encumbering all or a portion of the Mortgaged Property.

E. The City of Foster City, as the city that created Redevelopment Agency, adopted Resolution No. 2012-2 on January 9, 2012, electing to retain the housing assets and functions of the Redevelopment Agency as “housing successor” pursuant to California Health and Safety Code Section 34176(a). The Subordinate Mortgage and Covenant are housing assets pursuant to California Health and Safety Code Section 34176(e). Redevelopment Agency was dissolved effective February 1, 2012 pursuant to California Health and Safety Code Section 34170, et seq.

F. Borrower has requested Senior Lender to permit the Subordinate Mortgage to remain as a subordinate lien against the Property. Senior Lender has agreed to permit the Subordinate Mortgage and to allow the subordinate mortgage lien against the Mortgaged Property subject to all of the conditions contained in this Agreement.

AGREEMENTS:

NOW, THEREFORE, in order to induce Senior Lender to permit the Subordinate Mortgage 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, and in all cases any other Person that holds fifty percent (50%) or more of the ownership interests in such Person.

“Borrower” means the Person named as such in the first paragraph on page 1 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 (a) a Saturday, (b) a Sunday, (c) a day on which Senior Lender is not open for business, or (d) a day on which the Federal Reserve Bank of New York is not open for business.

“Condemnation Action” means any action or proceeding, however characterized or named, relating to any condemnation or other taking, or conveyance in lieu thereof, of all or any part of the Mortgaged Property, whether direct or indirect.

“Control” (including with correlative meanings, the terms “Controlling,” “Controlled by” and “under common Control with”), as applied to any entity, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or operations of such entity, whether through the ownership of voting securities, ownership interests or by contract or otherwise.

“Covenant” is defined in Recital C above.

“DDA” is defined in Recital C above.

“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 Mortgage Default has occurred under the Subordinate Mortgage. 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).

“Senior Lender” means the Person named as such in the first paragraph on Page 1 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 on page 1 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 Mortgage” is defined in Recital D above.

“Subordinate Mortgage Default” means a default by Borrower in performing or observing any of the terms, covenants or conditions in the Subordinate Mortgage for curing the default.

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 maintain the Subordinate Mortgage against the Mortgaged Property.

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) 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.

(b) 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 the lien of the Subordinate Mortgage 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 the liens, terms, covenants and conditions of the Subordinate Mortgage 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 protecting or further securing the lien of the Senior Security Instrument, curing defaults by

Borrower under the Senior Loan Documents or for any other purpose expressly permitted by the Senior Loan Documents, or 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 Mortgage, 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 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 Mortgage (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorneys' fees, or any other sums secured by the Subordinate Mortgage) 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 Mortgage, it will not accept any payments under or pursuant to the Subordinate Mortgage (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorneys' fees, or any other sums secured by the Subordinate Mortgage) 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 6 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(c).

(d) Remitting Subordinate Mortgage Payments to Senior Lender.

If, after Subordinate Lender receives a Default Notice from Senior Lender in accordance with Section 5(c), Subordinate Lender receives any payments under the Subordinate Mortgage, 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 Mortgage. 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 Mortgage, nor shall the tender of such payment to Senior Lender waive any Subordinate Mortgage Default which may arise from the inability of Subordinate Lender to retain such payment or apply such payment to the Subordinate Mortgage.

(e) Notice of Payment from Other Persons.

Subordinate Lender agrees to notify (telephonically or via email, followed by written notice) Senior Lender of Subordinate Lender's receipt from any Person other than Borrower of a payment with respect to Borrower's obligations under the Subordinate Mortgage, promptly after Subordinate Lender obtains knowledge of such payment.

(f) 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.

(g) No Effect on Priority of Covenant.

Senior Lender and Borrower acknowledge and agree that (i) this Agreement shall in no way affect the priority of the Covenant, (ii) the Covenant shall unconditionally be and remain at all times prior and superior to the lien or charge of the Senior Security Instrument and other Senior Loan Documents, and (iii) Subordinate Lender would not have agreed to subordinate the Subordinate Mortgage to the Senior Security Instrument and Senior Loan Documents in the absence of Senior Lender and Borrower's agreement to subordinate the Senior Security Instrument and Senior Loan Documents to the Covenant.

6. Default Under Subordinate Mortgage.

(a) Notice of Subordinate Mortgage 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 Mortgage, subject to the provisions of this Agreement. Senior Lender shall have the right, but not the obligation, to cure any Subordinate Mortgage 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 Mortgage. All amounts paid by Senior Lender in accordance with the Senior Loan Documents to cure a Subordinate Mortgage Default shall be deemed to have been advanced by Senior Lender pursuant to, and shall be secured by, the Senior Loan Agreement and the Senior Security Instrument.

(b) Subordinate Lender's Exercise of Remedies After Notice to Senior Lender.

If a Subordinate Mortgage 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 Mortgage or exercise any other rights or remedies it may have under the Subordinate Mortgage, including, but not limited to enforcing any "due on sale" provision included in the Subordinate Mortgage, 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; during such sixty (60) day period, however, Subordinate Lender shall be entitled to exercise and enforce all other rights and remedies available to Subordinate Lender under the Subordinate Mortgage and/or under applicable laws.

(c) Cross Default.

Borrower and Subordinate Lender agree that a Subordinate Mortgage 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 Mortgage 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 Mortgage 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 its 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 Mortgage.

(b) Cross Default.

Subordinate Lender agrees that, notwithstanding any contrary provision contained in the Subordinate Mortgage, a Senior Loan Default shall not constitute a default under the Subordinate Mortgage (if no other default has occurred under the Subordinate Mortgage) until either Senior Lender has accelerated the maturity of the Senior Loan, or 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 Mortgage, Subordinate Lender shall be permitted to pursue its remedies for default under the Subordinate Mortgage, 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 Mortgage arising from such Senior Loan Default shall be deemed cured and the Subordinate Mortgage 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 Mortgage and the terms of this Agreement, the terms of this Agreement shall govern and control solely as to the following: the relative priority of the security interests of Senior Lender and Subordinate Lender in the Mortgaged Property; the timing of the exercise of remedies by Senior Lender and Subordinate Lender under the Senior Loan Documents and the Subordinate Mortgage, respectively; and solely as between 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 Mortgage Default, as the case may be; give Borrower the right to notice of any Senior Loan Default or Subordinate Mortgage Default, as the case may be other than that, if any, provided, respectively under the Senior Loan Documents or the Subordinate Mortgage; or create any other right or benefit for Borrower as against Senior Lender or Subordinate Lender; or modify any of Borrower's obligations under the Covenant.

9. Rights and Obligations of Subordinate Lender Under the Subordinate Mortgage 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 Mortgage 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 Mortgage, 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 Mortgage 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 Mortgage.

(b) Condemnation or Casualty.

Following the occurrence of a Condemnation Action, or 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:

(A) Subordinate Lender hereby agrees that its rights (under the Subordinate Mortgage or otherwise) to participate in any proceeding or action relating to a Condemnation Action or a Casualty, or to participate or join in any settlement of, or to adjust, any claims resulting from a Condemnation Action 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 Condemnation Action or a Casualty made by Senior Lender; provided, however, this subsection 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 Condemnation Action or Casualty; and

(B) all proceeds received or to be received on account of a Condemnation Action 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 the manner determined by Senior Lender in its sole discretion; 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 Mortgage, 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 Mortgage.

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 Mortgage, increase the required payments due under the Subordinate Mortgage, decrease the term of the Subordinate Mortgage, increase the interest rate on the Subordinate Mortgage, or otherwise amend the Subordinate Mortgage terms in a manner that creates an adverse effect upon Senior Lender under the Senior Loan Documents. Any amendment of the Subordinate Mortgage or assignment of Subordinate Lender's interest in the Subordinate Mortgage 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. Subordinate Lender further agrees 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, 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.

Senior Lender, Subordinate Lender or Borrower shall not 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 Mortgage does not constitute Senior Lender as a joint venturer or partner of Subordinate Lender. Neither party hereto shall hold itself out as a partner, agent or Affiliate of the 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 is 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: the payment in full of the principal of, interest on and other amounts payable under the Senior Loan Documents; 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; or 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 Mortgage, 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 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 the Senior Loan, or 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.

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:

WALKER & DUNLOP, LLC, a
Delaware limited liability company

By: _____
Name: July M. James
Title: Vice President & Team Leader

Address: 7272 Wisconsin Avenue, Suite 1300
Bethesda, Maryland 20814

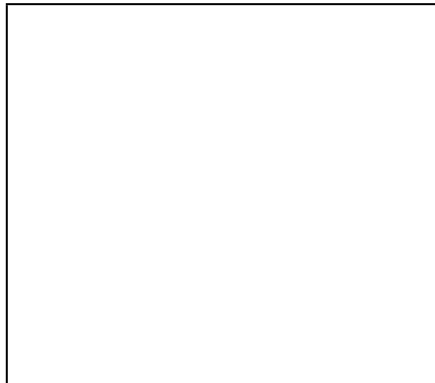
With a copy to:
Fannie Mae
Attention: Multifamily Asset
Management
Drawer AM
1100 15th Street, NW
Washington, DC 20005

COMMONWEALTH OF VIRGINIA)
) ss.
COUNTY OF LOUDOUN)

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

On this _____ day of March, 2023, before me personally appeared July M. James, to me known to be the Vice President & Team Leader of WALKER & DUNLOP, LLC, a Delaware limited liability company, the limited liability company that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



(Use This Space for Notarial Seal Stamp)

Notary Public in and for the Commonwealth of
Virginia, residing at _____
My commission expires: _____

[Type or Print Notary Name]

SUBORDINATE LENDER:

CITY OF FOSTER CITY, a municipal corporation,
acting in its capacity as the Successor Housing
Agency to the Community Development Agency of
the City of Foster City

By: _____
Jon Froomin, Mayor

Address: 610 Foster City Boulevard
Foster City, California 94404

APPROVED AS TO FORM:

By: _____
Benjamin Stock, City Attorney

ATTEST:

By: _____
Priscilla Schaus, City Clerk

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 _____} S.S.

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

BORROWER:

PWM RESIDENTIAL VENTURE LP, a
California limited partnership

By: _____
Name: _____
Title: _____

Address: 1201 Howard Avenue, Suite 300
Burlingame, California 94010

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 _____ } S.S.

On _____ before me, _____ 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)

EXHIBIT A

LEGAL DESCRIPTION

Real property in the City of Foster City, County of San Mateo, State of California, described as follows:

PARCEL ONE:

A PORTION OF ADJUSTED PARCEL 3, AS SAID PARCEL IS DESCRIBED IN THAT CERTAIN DOCUMENT FILED FOR RECORD ON AUGUST 11, 2000 AS DOCUMENT NO. 2000-099211 IN THE OFFICE OF THE RECORDER OF SAN MATEO COUNTY AND ALSO BEING A PORTION OF ADJUSTED PARCEL B, AS SAID PARCEL IS DESCRIBED IN THAT CERTAIN DOCUMENT FILED FOR RECORD ON NOVEMBER 7, 2000 AS DOCUMENT NO. 2000-139980 IN THE OFFICE OF THE RECORDER OF SAN MATEO COUNTY AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID ADJUSTED PARCEL B; THENCE ALONG THE WESTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, THE FOLLOWING ELEVEN COURSES,

- 1) NORTH 53°40'12" WEST, 388.24 FEET;
- 2) NORTH 28°49'55" WEST, 350.85 FEET TO THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT FROM WHICH POINT A RADIAL LINE BEARS NORTH 28°49'55" WEST;
- 3) ALONG SAID CURVE HAVING A RADIUS OF 400.00 FEET, THROUGH A CENTRAL ANGLE OF 20°48'39", AN ARC LENGTH OF 145.29 FEET;
- 4) NORTH 40°21'26" EAST, 75.16 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE RIGHT;
- 5) ALONG SAID CURVE HAVING A RADIUS OF 400.00 FEET, THROUGH A CENTRAL ANGLE OF 11°29'27", AN ARC LENGTH OF 80.22 FEET TO A POINT OF COMPOUND CURVATURE;
- 6) ALONG SAID CURVE HAVING A RADIUS OF 145.72 FEET, THROUGH A CENTRAL OF 2°35'43", AN ARC LENGTH OF 6.60 FEET;
- 7) NORTH 54°26'36" EAST, 110.54 FEET;
- 8) SOUTH 53°40'12" EAST, 60.93 FEET TO THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT FROM WHICH POINT A RADIAL LINE BEARS NORTH 66°15'42" EAST;
- 9) ALONG SAID CURVE HAVING A RADIUS OF 22.80 FEET, THROUGH A CENTRAL ANGLE OF 39°34'34", AN ARC LENGTH OF 15.75 FEET;
- 10) SOUTH 63°20'49" EAST, 135.14 FEET;

- 11) SOUTH 53°40'12" EAST, 136.89 FEET TO THE NORTHWESTERLY CORNER OF THE LANDS DESCRIBED IN THAT CERTAIN STREET DEDICATION DOCUMENT FILED FOR RECORD ON APRIL 28, 2003 AS DOCUMENT NO. 2003-112489 IN THE OFFICE OF THE RECORDER OF SAN MATEO COUNTY; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID LANDS THE FOLLOWING SEVEN COURSES,
- 1) SOUTH 36°50'11" EAST, 9.82 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE LEFT;
 - 2) ALONG SAID CURVE HAVING A RADIUS OF 70.00 FEET, THROUGH A CENTRAL ANGLE OF 14°26'03", AN ARC LENGTH OF 17.63 FEET;
 - 3) SOUTH 51°16'14" EAST, 5.36 FEET;
 - 4) SOUTH 52°58'53" EAST, 6.97 FEET;
 - 5) SOUTH 53°40'12" EAST, 100.00 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE RIGHT;
 - 12) ALONG SAID CURVE HAVING A RADIUS OF 18.00 FEET, THROUGH A CENTRAL ANGLE OF 68°18'19", AN ARC LENGTH OF 21.46 FEET;
 - 13) SOUTH 53°40'12" EAST, 36.28 FEET TO A POINT ON THE SOUTHEASTERLY LINE OF SAID ADJUSTED PARCEL B; THENCE ALONG SAID SOUTHEASTERLY LINE, SOUTH 36°19'48" WEST, 194.51 FEET; THENCE LEAVING SAID LINE, SOUTH 53°40'12" EAST, 30.88 FEET; THENCE SOUTH 36°19'48" WEST, 0.83 FEET; THENCE SOUTH 53°40'12" EAST, 9.25 FEET; THENCE NORTH 36°19'48" EAST, 0.96 FEET; THENCE SOUTH 53°40'12" EAST, 6.08 FEET; THENCE SOUTH 36°19'48" WEST, 21.42 FEET; THENCE SOUTH 53°40'12", 6.21 FEET; THENCE SOUTH 36°19'48" WEST, 50.91 FEET; THENCE NORTH 53°40'12" WEST, 19.92 FEET; THENCE NORTH 36°19'48" EAST, 4.54 FEET; THENCE NORTH 53°40'12" WEST, 32.12 FEET TO A POINT ON THE EASTERLY LINE OF SAID ADJUSTED PARCEL B AND TO A POINT ON A NON-TANGENT CURVE TO THE LEFT FROM WHICH POINT A RADIAL LINE BEARS SOUTH 59°00'59" EAST; THENCE ALONG SAID EASTERLY LINE THE FOLLOWING SEVEN COURSES,
 - 6) ALONG SAID CURVE HAVING A RADIUS OF 88.00 FEET, THROUGH A CENTRAL ANGLE 19°57'58", AN ARC LENGTH OF 30.67 FEET;
 - 7) SOUTH 11°01'03" WEST, 35.91 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE RIGHT;
 - 8) ALONG SAID CURVE HAVING A RADIUS OF 88.00 FEET, THROUGH A CENTRAL ANGLE OF 16°34'31", AN ARC LENGTH OF 25.46 FEET TO A POINT OF REVERSE CURVATURE;
 - 9) ALONG SAID CURVE HAVING A RADIUS OF 200.00 FEET, THROUGH A CENTRAL ANGLE OF 26°27'51", AN ARC LENGTH OF 92.38 FEET;
 - 10) SOUTH 1°07'43" WEST, 71.70 FEET;
 - 11) NORTH 88°45'32" WEST, 36.22 FEET;
 - 12) SOUTH 36°19'48" WEST, 42.50 FEET TO THE POINT OF BEGINNING.

BEING THE LAND DESCRIBED AS ADJUSTED PARCEL B ON LOT LINE ADJUSTMENT RECORDED MAY 19, 2004, INSTRUMENT NO. 2004-103642, SAN MATEO COUNTY RECORDS.

PARCEL TWO:

EASEMENTS FOR INGRESS, EGRESS, PARKING AND UTILITIES, A PROVIDED FOR
IN SECTIONS 4A, 4B, 4D AND 5 OF THE AMENDED AND RESTATED RECIPROCAL
EASEMENT AGREEMENT RECORDED
MAY 19, 2004, INSTRUMENT NO. 2004-103644, SAN MATEO COUNTY RECORDS.