

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Buchalter
1000 Wilshire Blvd. #1500
Los Angeles, California 90017
Attention: Scott Salomon, Esq.
Ref: B0965-0843

Assessor's Lots [REDACTED]

Space Above For Recorder's Use

ASSIGNMENT OF DEED OF TRUST AND RELATED DOCUMENTS

This **ASSIGNMENT OF DEED OF TRUST AND RELATED DOCUMENTS** ("**Assignment**") is dated as of [REDACTED], 2025 from the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation and chartered city and county, duly organized and validly existing under its City Charter and the Constitution and laws of the State of California, acting by and through the Mayor's Office of Housing and Community Development (the "**Governmental Lender**"), to **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association, as fiscal agent (the "**Fiscal Agent**"), in trust for the benefit of the Funding Lender (defined below) under the "Funding Loan Agreement" (defined below).

RECITALS

A. Pursuant to Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code (the "**Act**"), Governmental Lender has determined to make a mortgage loan to Transbay 2 Family, L.P., a California limited partnership ("**Borrower**"), in the maximum aggregate principal amount of \$[REDACTED] (the "**Borrower Loan**") to provide for the financing of a 89-unit multifamily rental housing development project (the "**Project**") commonly known as "Sunnydale HOPE SF Block 7", in the County of San Francisco, State of California (as more particularly described on **Exhibit A**, the "**Property**"). Borrower has agreed to use the proceeds of the Loan to finance the acquisition and construction of the Project and to pay certain closing costs with respect to the Loan.

B. The Borrower Loan will be made pursuant to that certain Borrower Loan Agreement (as amended from time to time, the "**Borrower Loan Agreement**") dated as of [REDACTED], 2025, among Governmental Lender, as lender, Borrower, as borrower, and Fiscal Agent, as fiscal agent. The Borrower Loan is evidenced by, among other things, that certain Promissory Note (Tax-Exempt) dated as of even date herewith in the original maximum principal amount of \$[REDACTED] (as amended from time to time, the "**Tax-Exempt Borrower Note**") and that certain Promissory Note (Taxable) dated as of even date herewith in the original maximum principal amount of \$[REDACTED] (as amended from time to time, the "**Taxable Borrower Note**", and together with the Tax-Exempt Borrower Note, individually and collectively, the "**Note**") dated as of even date herewith, and made by Borrower to the order of Governmental Lender. To secure, among other obligations, the Borrower's obligations under the Borrower Loan Agreement and the Note, Borrower, as trustor, has executed and delivered, or will concurrently execute and deliver, to the Governmental Lender, as beneficiary, that certain Leasehold Construction Deed of Trust, with Assignment of Rents, Security Agreement, and Fixture Filing (as amended from time to time, the "**Mortgage**"), dated as of even date herewith encumbering, among other collateral, Borrower's leasehold interest in the Property, and fee interest in the improvements and personal property located thereon. The Mortgage is being duly recorded in the Official Records of the County of San Francisco, State of California, substantially concurrently with the recordation of this Assignment. Borrower has also

executed and delivered to Governmental Lender, as additional security for the Borrower Loan, (i) an Assignment of Contracts, Plans and Specifications dated as of even date herewith and such Consents to Assignment by Architect and Contractor as required therein; (ii) an Assignment and Subordination of Management Agreement dated as of even date herewith and consented to by Manager; (iii) a Security Agreement (Assignment of Partnership Interests and Capital Obligations) dated as of even date herewith, (iv) an Assignment Subsidy Commitments dated as of even date herewith, and (v) Indemnity Agreement (Borrower) dated as of even date herewith. The documents identified in this paragraph, together with all "Borrower Loan Documents" (as defined in the Funding Loan Agreement, defined below) are collectively referred to herein as the **"Borrower Documents"**.

C. Mercy Housing, Inc., a Nebraska nonprofit corporation ("**MHI**") and Mercy Housing California, a California nonprofit public benefit corporation ("**MHC**", and together with MHI, individually and collectively, jointly and severally, the "**Guarantor**"), have executed and delivered to the Governmental Lender (i) a Payment Guaranty dated as of even date herewith, (ii) a Completion Agreement dated as of even date herewith, and (iii) an Indemnity Agreement (Third Party Indemnity) dated as of even date herewith (collectively, the "**Guaranties**"), guaranteeing certain obligations of Borrower under the Borrower Loan Documents.

D. Governmental Lender, in order to obtain the funds necessary to enable it to make the Borrower Loan to the Borrower, has determined to obtain a loan (the "**Funding Loan**") from Funding Lender, in the maximum aggregate principal amount of \$[REDACTED]. The Funding Loan will be made by Bank of America, N.A., a national banking association (together with its successors and assigns, the "**Funding Lender**"), as initial funding lender to Governmental Lender pursuant to that certain Funding Loan Agreement (as amended from time to time, the "**Funding Loan Agreement**") dated as of [REDACTED], 2025, by and among Funding Lender, as lender, the Governmental Lender, as borrower, and the Fiscal Agent, as fiscal agent. The Funding Loan will be evidenced by, among other things, that certain (i) City and County of San Francisco, California Multifamily Housing Revenue Note (Sunnydale HOPE SF Block 7), Series 2025E-1 in the amount of \$[REDACTED] (the "**Tax-Exempt Governmental Note**"), and (ii) City and County of San Francisco, California Multifamily Housing Revenue Note (Sunnydale HOPE SF Block 7), Series 2025E-2 (Taxable) in the amount of \$[REDACTED] ("**Taxable Governmental Note**", and together with the Tax-Exempt Governmental Note, individually and collectively, the "**Governmental Lender Note**") dated as of even date herewith. The Funding Lender, pursuant to the terms and subject to the conditions of the Funding Loan Agreement, has agreed to fund the proceeds of the Funding Loan to Governmental Lender on a draw-down basis, which proceeds of the Funding Loan will in turn be used by Governmental Lender to fund the Borrower Loan to the Borrower. In order to secure the repayment of the Funding Loan, Governmental Lender has pledged to Fiscal Agent, in trust for the benefit of the Funding Lender, pursuant to the terms and conditions of the Funding Loan Agreement, all of Governmental Lender's right, title and interest in, to and under the Borrower Loan (except for the Unassigned Rights (as defined in the Funding Loan Agreement)), the Borrower Loan Agreement, the Note, the Mortgage and all of the other "Borrower Loan Documents" (as defined in the Funding Loan Agreement) To further evidence and perfect such pledge, Governmental Lender, substantially concurrently herewith, has duly endorsed the Note, without recourse, to the order of Fiscal Agent, in trust for the benefit of the Funding Lender, and has agreed to execute and deliver to Fiscal Agent, in trust for the benefit of the Funding Lender, this Assignment, which assigns to Fiscal Agent, in trust for the benefit of the Funding Lender, among other items, all of Governmental Lender's right, title and interest under the Mortgage and the other Borrower Documents and the Guaranties (except for the Unassigned Rights).

E. The Governmental Lender desires to assign and transfer to the Fiscal Agent, in trust for the benefit of the Funding Lender all its right, title and interest in and to (but not its obligations under) the Borrower Documents and the Guaranties, excluding all Unassigned Rights

expressly reserved to the Governmental Lender in the Funding Loan Agreement (which reservations include, without limitation, rights as to payment of certain fees and expenses and rights to indemnification and notices), and the Fiscal Agent, in trust for the benefit of the Funding Lender, desires to acquire Governmental Lender's rights, title and interest as aforesaid under the Borrower Documents and the Guaranties in accordance with the terms hereof. The Fiscal Agent is joining in the execution of this Assignment in order to evidence its acceptance hereof.

F. The Borrower is joining in the execution of this Assignment in order to evidence its consent hereto and in order to agree that the obligations of the Borrower Documents under the Borrower Documents shall continue to be effective notwithstanding the assignment by the Governmental Lender to the Fiscal Agent, in trust for the benefit of the Funding Lender, of its rights therein.

G. The Guarantors are joining in the execution of this Assignment in order to evidence its consent hereto and in order to agree that the Guaranties shall continue to be effective notwithstanding the assignment by the Governmental Lender to the Fiscal Agent, in trust for the benefit of the Funding Lender, of its rights therein.

AGREEMENT

NOW, THEREFORE, the parties hereby agree as follows:

Section 1. Assignment. The Governmental Lender sells, assigns and sets over and transfers to the Fiscal Agent, in trust for the benefit of the Funding Lender all the right, title and interest of the Governmental Lender in, to and under (but not its obligations under) the Borrower Documents and the Guaranties, excluding any Unassigned Rights expressly reserved to the Governmental Lender in the Funding Loan Agreement (which reservation includes, without limitation, rights as to payment of fees and expenses, rights to indemnification and notices). This Assignment is made and shall be without recourse, warranty or representation of the Governmental Lender.

Section 2. Miscellaneous. In case any one or more of the provisions contained in this Assignment are invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein will not be affected or impaired thereby. This Assignment may be executed in any number of counterparts, each executed counterpart constituting an original, but all counterparts together constituting only one instrument. It is the intention of the parties hereto that this Assignment and the rights and obligations of the parties hereunder shall be governed, construed and enforced in accordance with the laws of the State of California, without reference to the conflicts of laws and principles of the State of California.

[Signature pages follow]

IN WITNESS WHEREOF, the undersigned have executed this Assignment of Deed of Trust and Related Documents as of the date first above written.

GOVERNMENTAL LENDER:

CITY AND COUNTY OF SAN FRANCISCO,
acting by and through the Mayor's Office of
Housing and Community Development

By: _____
Name: Daniel Adams
Title: Director, Mayor's Office of Housing and Community Development

APPROVED AS TO FORM:

DAVID CHIU
City Attorney

By: _____
Name: _____
Title: Deputy City Attorney

ACKNOWLEDGEMENT

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 _____, 2025 before me, _____,
a Notary Public, personally appeared Daniel Adams, 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) _____

The undersigned, being the Borrower referred to in the foregoing Assignment of Deed of Trust Documents, hereby acknowledges receipt and acceptance thereof, consents and agrees to the Assignment made therein and agrees that its obligations under the Borrower Documents shall remain in full force and effect notwithstanding the assignment effected by the foregoing Assignment.

BORROWER:

SUNNYDALE BLOCK 7 HOUSING PARTNERS, L.P.,
a California limited partnership

By: Sunnydale Block 7 LLC,
a California limited liability company,
its managing general partner

By: Mercy Housing Calwest,
a California nonprofit public benefit corporation,
its sole member and manager

By: _____
Name: Elizabeth Kuwada
Title: Vice President

By: Related/Sunnydale Block 7 Development Co., LLC,
a California limited liability company,
its administrative general partner

By: _____
Name: Ann Silverberg
Title: President

ACKNOWLEDGEMENT

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 _____, 2025 before me, _____,
a Notary Public, personally appeared Elizabeth Kuwada, 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)

ACKNOWLEDGEMENT

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 _____, 2025 before me, _____,
a Notary Public, personally appeared Ann Silverberg, 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

[To be inserted]