

AMENDMENT TO INDENTURE OF TRUST AND BONDS

This **AMENDMENT TO INDENTURE OF TRUST AND BONDS**, dated as of November 1, 2023 (this “**Amendment**”), by and among the **CITY AND COUNTY OF SAN FRANCISCO** (together with any successor to its rights, duties and obligations hereunder, the “**City**”), and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION** (together with any successor to its rights, duties and obligations hereunder, the “**Trustee**”).

A. The City previously issued its \$40,776,000 Multifamily Housing Revenue Bonds (SFHA Scattered Sites), Series 2022A-1 (the “**Bonds**”) pursuant to the terms of that certain Indenture of Trust related to such Bonds (the “**Indenture**”), by and between the City and the Trustee.

B. The proceeds of the Bonds were used to fund a loan (the “**Loan**”), evidenced by the related promissory note (the “**Note**”) from the City to MHDC New Map, L.P. (the “**Borrower**”) for the purpose of acquiring, rehabilitating and improving a 69-unit multifamily rental housing facility on five scattered sites, known as “SFHA Scattered Sites” and located in San Francisco, California, the residential units in which are reserved for tenants of low, very low or extremely low income.

C. Interest on the Bonds is exempt from gross income for federal income tax purposes in part because the City received and used with respect to the Bonds a portion of the “volume cap” allocated to the State of California, and further allocated to the City, pursuant to Section 146 of the Internal Revenue Code of 1986 (the “**Code**”).

D. Section 146(i)(6) of the Code allows states to preserve or “recycle” volume cap under certain circumstances to provide additional tax-exempt financing for affordable multifamily rental housing.

E. To effect such volume cap recycling, the City desires from time to time to cause the prepayment of the Note to be transferred to a trustee or custodian and pledged as security for a taxable borrowing of the City (“the **Taxable Borrowing**”), while simultaneously applying a like amount of proceeds of the Taxable Borrowing to prepay the related Bonds (a “**Recycling Transaction**”).

F. The Indenture currently provides that any payment or prepayment made by the Borrower of principal, interest, premium, if any, due on the Note shall be held and applied for the payment or prepayment of principal, interest and premium, if any, due on the Bonds.

G. The City and the Trustee have agreed to amend the Indenture and the Bonds to allow for funds to be transferred as described in Recital E above to permit the City to execute a Recycling Transaction.

H. The Indenture provides, in substantial part, that any of the terms of such Indenture and the related Bonds may be amended or waived by an instrument signed by the Trustee and the City, with the written consent of the Majority Owner and the Borrower.

I. The City and the Majority Owner have determined that amending the Indenture and Bonds as described herein does not materially affect the rights, duties, obligations or other interests of the Borrower may be made without the consent of the Borrower.

J. Western Alliance Business Trust (the “Majority Owner”) is as of this date the sole holder of the Bonds.

K. The Trustee has agreed to acknowledge and consent to this Amendment.

For and in consideration of the mutual agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.1 Definitions. The capitalized words and terms used in this Amendment shall have the meanings as set forth in the Indenture and the Bonds, unless the context or use indicates a different meaning or intent, or unless a different meaning is ascribed to them herein.

Section 1.2 Interpretation. Unless the context clearly requires otherwise, words of masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to included correlative words of the plural number and vice versa. This Amendment and all the terms and provisions hereof shall be construed to effectuate the purpose set forth herein and to sustain the validity hereof.

Section 1.3 Titles and Headings. The title and headings of the articles and sections of this Amendment have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any may modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Amendment or any provision hereof or in ascertaining intent, if any question of intent should arise.

ARTICLE II

AMENDMENTS

Section 2.1 Amendment to Indenture. A new paragraph is hereby added as the final numbered Section of the Indenture as follows:

Section 12.12 Recycling Transactions. Notwithstanding provisions requiring payments or prepayments of the Loan to be applied to the payment or prepayment of the Bonds, or any other provision of this Indenture or the Bonds to the contrary, the City shall be permitted to direct the Trustee to transfer Note prepayments to a custodian or trustee selected by the City, in lieu of application to prepay a like portion of the Bonds, so long as the City simultaneously causes other funds to be applied to prepay such portion of the Bonds. The preceding provisions shall apply only for purposes of preserving or “recycling” private activity bond volume cap in accordance with Section 146(i)(6) of the Code.

Section 2.2 Amendment to Bonds. A new paragraph is hereby added as the penultimate paragraph of the Bonds as follows:

Notwithstanding provisions requiring payments or prepayments of the Loan to be applied to the payment or prepayment of the Bonds or any other provision of this Bond or the Indenture to the contrary, the City shall be permitted to direct Note prepayments to be transferred to a custodian or trustee selected by the City, in lieu of application to prepay a like portion of this Bonds, so long as the City simultaneously causes other funds to be applied to prepay such portion of this Bonds. The preceding provisions shall apply only for purposes of preserving or “recycling” private activity bond volume cap in accordance with Section 146(i)(6) of the Code.

ARTICLE III

MISCELLANEOUS

Section 3.1 Ratification of the Original Indenture. Except as supplemented and amended hereby, the Original Indenture is in all respects ratified and confirmed and the Original Indenture as so supplemented and amended hereby shall be read, taken and construed as one and the same instrument. Except insofar as herein

otherwise expressly provided, all the provisions, definitions, terms and conditions of the Original Indenture as supplemented and amended hereby, shall be deemed to be incorporated in, and made a part of, this Amendment, and the Original Indenture as supplemented and amended by this Amendment and as otherwise supplemented and amended is in all respects ratified and confirmed.

Section 3.2 Authorization of Amendment. This Amendment shall be construed as having been authorized, executed and delivered under the provisions of the Original Indenture. The Majority Owner hereby waives applicable provisions of the Original Indenture requiring the delivery of an Opinion of Counsel and a Tax Counsel No Adverse Effect Opinion in connection with the execution of this Amendment.

Section 3.3 Binding Effect. This Amendment shall inure to the benefit of and shall be binding upon the City, the Trustee, the Majority Owner, any Approved Transferee and their respective successors and assigns.

Section 3.4 Severability. If any provision of this Amendment shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative, or of unenforceable to any extent whatsoever.

Section 3.5 Governing Law. This Amendment shall be governed exclusively by and construed in accordance with the internal laws of the State applicable to contracts made and performed in the State.


Section 3.6 Inclusion as Part of the Indenture. This Amendment on its delivery shall be a part of the Indenture and all references herein to "Indenture" shall include reference to this Amendment as well as the Original Indenture.

Section 3.7 City Direction of Trustee; Approval of Majority Owner. By its execution of this Amendment, the City hereby directs the Trustee to execute this Amendment and the Majority Owner hereby approves the execution of this Amendment by the Trustee.

Section 3.8 Counterparts. This Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment to Indenture, all as of the date first above written.

CITY AND COUNTY OF SAN FRANCISCO

By: 
Name: Eric D. Shaw
Title: Director, SF Mayor's Office of Housing and Community Development

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

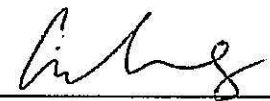
By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties have executed this Amendment to Indenture, all as of the date first above written.

CITY AND COUNTY OF SAN FRANCISCO

By: _____
Name:
Title:

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By:  _____
Name: ANDREW FUNB
Title: Vice President

The Majority Owner hereby consents to this Amendment, and hereby directs the Trustee to enter into the same, all as of the date first written above.

WESTERN ALLIANCE BUSINESS TRUST,
as Majority Owner

By: 
Name: *Monika Suarez*
Title: *Senior Vice President*

[Consent of Majority Owner - Amendment to Indenture of Trust and Bonds]
[Multifamily Housing Revenue Bonds (SFHA Scattered Sites) Series 2022A-1]

The Borrower hereby consents to this Amendment as of the date first written above.

MHDC NEW MAP. L.P., a California limited partnership

By: MHDC New Map LLC, a California limited liability company, its general partner

By: Mission Housing Development Corporation, a California nonprofit public benefit corporation, its sole member/manager

By: _____

Name: Sam Moss
Title: Executive Director

[Consent of Borrower - Amendment to Indenture of Trust and Bonds]
[Multifamily Housing Revenue Bonds (SFHA Scattered Sites) Series 2022A-1]