

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Buchalter, A Professional Corporation  
1000 Wilshire Boulevard, Suite 1500  
Los Angeles, CA 90017-1730  
Attn: Scott Salomon, Esq.

Space Above For Recorder's Use

### ASSIGNMENT OF DEED OF TRUST AND RELATED DOCUMENTS

This Assignment of Deed of Trust and Related Documents (this "**Assignment**") is dated as of April [ ], 2023, from the **CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA**, a municipal corporation and chartered city and county, duly organized and validly existing under the laws of the State of California (the "**Governmental Lender**"), to **BANK OF AMERICA, N.A.**, a national banking association (the "**Funding Lender**"), as funding lender 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 Hunters Point Block 56, L.P., a California limited partnership ("**Borrower**"), in the maximum aggregate principal amount of \$[ ] (the "**Borrower Loan**") to provide for the financing of a 73-unit multifamily rental housing development project (the "**Project**") on the real property (the "**Land**") located in the County of San Francisco, State of California, and more particularly described on Exhibit A attached hereto. 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 April [ ], 2023 among Governmental Lender, as lender, Borrower, as borrower, and [ ], a [ ], as fiscal agent ("**Fiscal Agent**"). The Borrower Loan is evidenced by, among other things, (i) that certain \$[ ] Promissory Note Secured By Deed of Trust, (as amended from time to time, the "**Note**"), dated as of even date herewith and made by Borrower to the order of Governmental Lender. To secure, among other obligations, Borrower's obligations under the Borrower Loan Agreement and the Note, Borrower, as trustor, is, concurrently herewith, executing, acknowledging and delivering to Governmental Lender, as beneficiary, a deed of trust (as amended from time to time, the "**Mortgage**"), encumbering, among other things, Borrower's fee interest in the Land and related real and personal property. The Mortgage is being duly recorded in the Official Records of the County of San Francisco, State of California (the "**Official Records**"), substantially concurrently with the recordation of this Assignment. Borrower has also executed and delivered to Governmental Lender, as additional security for the Borrower Loan, the additional documents identified on Schedule 1. The documents identified on Schedule 1, together with all "Borrower Loan Documents" (as defined in the Construction Disbursement Agreement (as hereinafter defined)) are collectively referred to herein as the "**Borrower Documents**".

B. Mercy Housing, Inc., a Nebraska not-for-profit corporation, Mercy Housing California, a California nonprofit public benefit corporation, and San Francisco Housing Development Corporation, a California nonprofit public benefit corporation (collectively, "**Guarantor**"), have executed and delivered to the Governmental Lender (a) a Payment Guaranty dated as of even date herewith, (b) a Completion Agreement dated as of even date herewith, and (c) an Indemnity Agreement (Third Party Indemnity) dated as of even date herewith (collectively, the "**Guaranties**").

C. 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 \$[ ]. The Funding Loan will be made by Funding Lender to Governmental Lender pursuant to that certain Funding Loan Agreement dated as of April [ ], 2023 (as amended from time to time, the "**Funding Loan Agreement**"), by and among Funding Lender, as lender, 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 Multifamily

Housing Revenue Note (Hunters Point Shipyard Block 56) Series 2023C dated as of even date herewith and in the original principal amount of \$[\_\_\_\_\_] (“**Tax Exempt Note**”) (as amended from time to time, the “**Funding Loan Note**”), made by Governmental Lender to the order of Funding Lender. 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 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). To further evidence and perfect such pledge, Governmental Lender, substantially concurrently herewith, has duly endorsed the Note, without recourse, to the order of Funding Lender, and has agreed to execute and deliver to Funding Lender, this Assignment, which assigns to 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).

D. The Governmental Lender desires to assign and transfer to the Funding Lender all its right, title and interest in and to (and its obligations under) the Borrower Documents and the Guaranties, excluding all Unassigned Rights 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 Funding Lender desires to acquire Governmental Lender’s rights, title, interest and obligations as aforesaid under the Borrower Documents and the Guaranties in accordance with the terms hereof. Funding Lender is joining in the execution of this Assignment in order to evidence its acceptance hereof.

E. 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 under the Borrower Documents shall continue to be effective notwithstanding the assignment by the Governmental Lender to Funding Lender of its rights therein.

F. The Guarantor is 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 Funding Lender of its rights therein.

G. Capitalized terms used in this Assignment and not expressly otherwise defined herein shall have the meanings set forth for those terms in the Borrower Loan Agreement, the Funding Loan Agreement or that certain Construction Disbursement Agreement of even date herewith (the “**Construction Disbursement Agreement**”), by and between Bank of America, N.A., in its capacity as “Servicer”, and Borrower.

## AGREEMENT

NOW, THEREFORE, the parties hereby agree as follows:

Section 1. Assignment. The Governmental Lender sells, assigns and sets over and transfers to the Funding Lender all the right, title and interest of the Governmental Lender in, to and under (and its obligations under) the Mortgage, the other Borrower Documents and the Guaranties, excluding any Unassigned Rights 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.

\*\*\*DRAFT FOR DISCUSSION PURPOSES ONLY – NOT A COMMITMENT TO LEND\*\*\*

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.

*[Remainder of Page Intentionally Left Blank]*

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: Eric D. Shaw

Title: Director, Mayor's Office of Housing and Community Development

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

STATE OF CALIFORNIA                    )  
  )  
COUNTY OF \_\_\_\_\_                )

On \_\_\_\_\_, 2023, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

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

**FUNDING LENDER:**

**BANK OF AMERICA, N.A.,**  
a national banking association

By: \_\_\_\_\_  
Name: Scott K. Catton  
Title: Senior Vice President

STATE OF WASHINGTON            )  
  )  
COUNTY OF SNOHOMISH        )

I certify that I know or have satisfactory evidence that Scott K. Catton is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as a Senior Vice President of Bank of America, N.A., a national banking association, to be the free and voluntary act of such party for these uses and purposes mentioned in the instrument.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
(Signature of Notary)

\_\_\_\_\_  
(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of Washington  
residing at \_\_\_\_\_

My appointment expires \_\_\_\_\_

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:**

**HUNTERS POINT BLOCK 56, L.P.,**  
a California limited partnership

By: Mercy HPSY Block 56 LLC,  
a California limited liability company,  
its managing general partner

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

By: \_\_\_\_\_  
Name: Ramie Dare  
Title: Vice President

By: SFHDC HPSY Block 56 LLC,  
a California limited liability company,  
its co-general partner

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

By: \_\_\_\_\_  
Name: David J. Sobel  
Title: President

[Notary page to follow.]

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  )  
COUNTY OF \_\_\_\_\_                )

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  )  
COUNTY OF \_\_\_\_\_                )

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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 \_\_\_\_\_



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

**GUARANTOR:**

**MERCY HOUSING CALIFORNIA,**  
a California nonprofit public benefit corporation

By: \_\_\_\_\_  
Name: Doug Shoemaker  
Title: President

**MERCY HOUSING, INC.,**  
a Nebraska not-for-profit corporation

By: \_\_\_\_\_  
Name: Doug Shoemaker  
Title: Senior Vice President

**SAN FRANCISCO HOUSING DEVELOPMENT CORPORATION,**  
a California nonprofit public benefit corporation

By: \_\_\_\_\_  
Name: David J. Sobel  
Title: Chief Executive Officer

[Notary page to follow.]

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STATE OF \_\_\_\_\_ )  
  )  
COUNTY OF \_\_\_\_\_ )

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WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

## SCHEDULE 1

### BORROWER DOCUMENTS

1. Project Loan Agreement dated as of April [\_\_\_], 2023, among Governmental Lender, Fiscal Agent and Borrower.
2. Promissory Note Secured by Deed of Trust dated as of even date herewith, executed by Borrower to the order of Governmental Lender in the face principal amount of \$[\_\_\_\_\_].
3. Promissory Note (Taxable) dated as of even date herewith, executed by Borrower to the order of Governmental Lender in the face principal amount of \$[\_\_\_\_\_].
4. Construction and Permanent Deed of Trust, with Assignment of Rents, Security Agreement, and Fixture Filing, dated as of even date herewith, executed by Borrower for the benefit of Governmental Lender and recorded in the Official Records of San Francisco County, California substantially concurrently herewith.
5. Payment Guaranty dated as of even date herewith, executed by Guarantor in favor of Governmental Lender.
6. Completion Agreement dated as of even date herewith, executed by Guarantor in favor of Governmental Lender.
7. Indemnity Agreement (Borrower) dated as of even date herewith, executed by Borrower in favor of Governmental Lender, Fiscal Agent, Initial Funding Lender, and Servicer.
8. Indemnity Agreement (Third Party Indemnity) dated as of even date herewith, executed by Guarantor in favor of Governmental Lender, Fiscal Agent, Initial Funding Lender, and Servicer.
9. Security Agreement (Assignment of Partnership Interests and Capital Obligations), dated as of even date herewith, executed by Borrower and Mercy HPSY Block 56 LLC, a California limited liability company ("Mercy General Partner"), and SFHDC HPSY Block 56 LLC, a California limited liability company ("SFHDC General Partner", collectively, the "General Partners"), in favor of Governmental Lender.
10. Assignment of Contracts, Plans, and Specifications dated as of even date herewith, executed by Borrower in favor of Governmental Lender.
11. Assignment and Subordination of Management Agreement dated as of even date herewith, executed by Borrower and Mercy Housing Management Group, Inc., a Nebraska not-for-profit corporation, in favor of Governmental Lender.
12. UCC-1 Financing Statements naming Borrower, General Partners, and Mercy Housing California, a California nonprofit public benefit corporation ("MHC") as debtor, and Governmental Lender as secured party.

## EXHIBIT A

### LEGAL DESCRIPTION

The Site referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Being all of Lots 137, 138, 139, and 140, as said lots are shown and so designated on Final Map No. 4231, recorded August 12, 2009, in Book CC of Survey Maps, at Page 165, in the Office of the County Recorder of San Francisco, as amended by that certain Certificate of Correction, recorded December 23, 2011, as Instrument No. 2011-J324068-00, of Official Records, in said Office of the County Recorder of San Francisco County, being more particularly described as follows:

Beginning at the Eastern corner of said Lot 140;

Thence, from said point of beginning, along the boundary lines of said lots, the following five (5) courses:

1. South 36° 43' 28" West 175.92 feet,
2. North 53° 16' 32" West 164.02 feet,
3. North 36° 43' 28" East 158.92 feet,
4. Along the arc of a tangent 17.00 foot radius curve to the right, through a central angle of 90° 00' 00", an arc distance of 26.70 feet; and
5. South 53° 16' 32" East 147.02 feet to said point of beginning.

The above legal description is made pursuant that that Certificate of Compliance recorded August 8, 2013, in Reel K956, Image 0437, as Document No. 2013-J727687-00 of Official Records.

APN: LOT 217; BLOCK: 4591C