

SECOND AMENDMENT TO INDENTURE OF TRUST

This **SECOND AMENDMENT TO INDENTURE OF TRUST**, dated as of _____, 2024 (this "**Amendment**"), by and between 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 maximum principal amount of Multifamily Housing Revenue Bonds (SFHA Scattered Sites), Series 2022A-1 (the "**A-1 Bonds**") and its \$7,057,736 maximum principal amount of Multifamily Housing Revenue Bonds (SFHA Scattered Sites), Series 2022A-2 (Taxable) (the "**A-2 Bonds**") and together with the A-1 Bonds, the "**Bonds**") pursuant to the terms of that certain Indenture of Trust, dated as of February 1, 2022 (the "**Original Indenture**"), by and between the City and the Trustee.

B. The proceeds of the Bonds were used to fund a loan (the "**Loan**") from the City to MHDC New Map, L.P. (the "**Borrower**"), as evidenced by the related promissory notes of the Borrower (the "**Notes**"), 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 "**Project**"), the residential units in which are reserved for tenants of low, very low or extremely low income.

C. Pursuant to Section 4.1(a) of the Indenture, the Trustee has created a Transition and IRP Reserve Fund (as defined in the Indenture) and deposited the initial amount of \$1,800,000 therein.

D. With the consent of the Borrower and the Majority Owner (as defined in the Indenture), the City and the Trustee have agreed to amend the Indenture to allow for amounts on deposit in the Transition and IRP Reserve Fund to be released by the Trustee to the City from time to time for the prepayment or repayment, in full or in part, of the Subordinate Debt (as defined in the Indenture) identified on Schedule A of the Indenture as the MOHCD Loan in the amount of \$7,500,000 (the "**MOHCD Loan**").

E. The Indenture provides, in substantial part, that any of the terms of the Indenture 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.

F. As of the effective date of this Amendment, Western Alliance Business Trust is the sole holder of the Bonds and the Majority Owner.

G. On November 30, 2023, the Original Indenture was amended by that certain Amendment to Indenture of Trust and Bonds, dated as of November 1, 2023 (the "**First Amendment**"), to facilitate the recycling of private activity bond volume cap pursuant to Section 146(i)(6) of the Internal Revenue Code of 1986, as amended.

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, 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 sentence is hereby added to the end of subsection (e) of Section 4.5 of the Indenture as follows:

Notwithstanding the provisions of this subsection (e), upon receipt of a certificate signed by an Authorized City Representative, acknowledged by the Controlling Person, in the form attached to this Amendment as Exhibit 2A (each, a “Disbursement Direction”), the Trustee shall disburse from time to time any funds on deposit in the Transition and IRP Reserve Fund to or at the direction of the City upon a written request signed by an Authorized City Representative stating that the purpose for such disbursement is for the repayment or prepayment of the MOHCD Loan in full or in part. The Controlling Person shall not withhold their acknowledgment unless one or more of the representations of the City set forth in the applicable Disbursement Direction is not true and correct.

Section 2.2 Definitions. The following definitions are added to Section 1.1. of the Indenture, in appropriate alphabetical order:

“Debt Service Coverage Ratio” shall have the meaning ascribed thereto in [the Continuing Covenant Agreement].

ARTICLE III

MISCELLANEOUS

Section 3.1 Ratification of the Original Indenture and First Amendment. Except as supplemented and amended hereby, the Original Indenture, as amended by the First Amendment, is in all respects ratified and confirmed and the Original Indenture as amended by the First Amendment and as further 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 by the First Amendment, shall be deemed to be incorporated in, and made a part of, this Amendment, and the Original Indenture as supplemented and amended by the First Amendment, by this Amendment and as otherwise supplemented and amended is in all respects ratified and confirmed.

Section 3.2 Authorization of Amendment. The parties acknowledge and agree that this Amendment has been authorized, executed and delivered under the provisions of the Original Indenture, as heretofore amended.

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 and the First Amendment.

Section 3.7 City Direction of Trustee; Approval of Majority Owner and Borrower. By its execution of this Amendment, the City hereby directs the Trustee to execute this Amendment and by their consents attached hereto, the Majority Owner and the Borrower each hereby approve 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:
Title:

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

By: _____
Name:
Title:

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:
Title:

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 - Second Amendment to Indenture of Trust]

[Multifamily Housing Revenue Bonds (SFHA Scattered Sites) Series 2022A-1 and Series 2022A-2 (Taxable)]

EXHIBIT 2A
Form of Written Direction to Disburse Transition and IRP Reserve Fund

_____, 20__

U.S. Bank Trust Company, National Association
1 California Street, Suite 1000
San Francisco, California 94111
Attention: Corporate Trust Department
Email: _____@usbank.com

Re: City and County of San Francisco, California
Multifamily Housing Revenue Bonds
(SFHA Scattered Sites)
Series 2022A-1 and Series 2022A-2 (Taxable)

Ladies and Gentlemen:

Reference is made to the above-captioned bonds (the "Bonds"), originally issued on February 22, 2022, pursuant to that certain Indenture of Trust, dated as of February 1, 2022 (as amended, the "Indenture"), between the City and County of San Francisco, California, as issuer (the "City") and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). The Indenture has been amended by that certain Amendment to Indenture of Trust and Bonds, dated as of November 30, 2023 (the "First Amendment") and that certain Second Amendment to Indenture of Trust, dated as of _____, 2024 (the "Second Amendment"). This Written Direction is delivered to you, the Trustee, pursuant to the last sentence of Section 4.5(e) of the Indenture, as amended by the Second Amendment. Capitalized terms used but not defined in this Written Direction shall have the meanings ascribed thereto in the Indenture.

You are hereby authorized and directed to disburse the amount of \$600,000.00 (Six Hundred Thousand Dollars and No/100) to the payee identified below using the remittance instructions identified below:

Amount	Payee	Remittance Instructions
\$600,000.00		

We hereby represent and warrant that (i) at least three years have elapsed since the Stabilization Date, (ii) no Default or Event of Default now exists, (iii) the Debt Service Coverage Ratio for [each of the immediately preceding twelve calendar months] was at least 1.15, (iv) the City has not submitted to you a Written Direction in this form for at least one year, and (v) after disbursing the amounts set forth in this Written Direction, the total amount disbursed from the Transition and IRP Reserve Fund pursuant to this and all previous Written Directions in this form will not exceed an aggregate total of \$1,800,000.00 (One Million Eight Hundred Thousand Dollars and No/100).

CITY AND COUNTY OF SAN FRANCISCO,
CALIFORNIA

By: _____
Name:
Title:

Acknowledged:

WESTERN ALLIANCE BANK,
as Controlling Person

By: _____
Name:
Title: