RECORDING REQUESTED BY
Warthan Place Apartment Investors II, L.P.
1724 10th Steet, Suite 120
Sacramento, CA 95811

AND WHEN RECORDED MAIL TO
Warthan Place Apartment Investors II, L.P.
1724 10th Street, Suite 120
Sacramento, CA 95811
Attn: John Cicerone

SPACE ABOVE THIS LINE FOR RECORDER'S USE

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER INSTRUMENT.

This Subordination Agreement ("Agreement") is entered into as of _______, 2022 by and among WARTHAN PLACE APARTMENT INVESTORS, L.P., a California limited partnership ("Phase One Owner); "), WARTHAN PLACE APARTMENT INVESTORS II, L.P., a California limited partnership ("Phase Two Owner"), and CITY OF COALINGA, a California municipal corporation, ("City"). The parties to this Agreement are referred to as the "Parties." City is also referred to as the "Lender."

RECITALS

- A. City recorded (a) that certain Notice of Affordability Restrictions on Transfer of Property dated as of September 16, 2014, executed by Phase I Owner and the City and recorded in the Official Records of Fresno County, California ("Official Records") on October 30, 2014 as DOC-2014-0124003; (b) that certain Regulatory Agreement and Declaration of Restrictive Covenants dated as of September 16, 2014, executed by Phase I Owner and the City and recorded in the Official Records on October 30, 2014 as DOC-2014-0124002; and (c) that certain Deed of Trust with Assignment of Rents and Security Agreement, dated as of September 16, 2014, executed by Phase I Owner in favor of the City and recorded on October 30, 2014 in the Official Records as DOC-2014-124004 (collectively, the "City Recorded Documents") for the benefit of City, to secure a promissory note in the original amount of \$2,464,737.00. The City Recorded Documents encumber, among other things, the real property more particularly described in Exhibit A attached to this Agreement (the "Phase One Land"). The Phase One Land, together with all improvements now or hereafter located on the Phase One Land and all fixtures and personal property located on the Phase One Land and encumbered by any of the Recorded Items (as defined below) are referred to, collectively, as the "Phase One Property."
- **B.** Phase One Owner owns the Phase One Property. Phase One Property includes a detention pond for storm water storage (the "Detention Pond").
- C. Phase Two Owner owns the real property more particularly described in Exhibit A attached to this Agreement as the "Phase Two Land". Phase Two Owner is building an 81-unit apartment complex on the Phase Two Land. The Phase Two Land, together with all improvements now or hereafter located on the Phase Two Land and all fixtures and personal property located on the Phase Two Land are referred to, collectively, as the "Phase Two Property."

- **D.** The Phase Two Property drains storm water through the Phase One Property to the Detention Pond. The Phase Two Property and the Phase One Property share a common drive aisle.
- **E.** The City approved the Phase Two Property in Resolution No. 020P-010 dated December 8, 2020 approving site plan review application No 20-01 (Warthan Place Apartments Phase 2).
- **F.** Phase One Owner and Phase Two Owner, executed the "Reciprocal Access and Drainage Agreement", dated as of May 17, 2022 and recorded in Official Records as document number 2022-0076541 on June 9, 2022 memorializing the reciprocal drainage and access rights between the Phase One Property and the Phase Two Property.
- **G.** The Reciprocal Access and Drainage Agreement and the City Recorded Documents are referred to as the "Recorded Items."
- **H.** The lender for the Phase Two Property has required subordination of the City Recorded Documents to the Reciprocal Access and Drainage Agreement.
- **I.** It is the intent of the Parties that the order of priority of the Recorded Items as liens on or charges against the Phase One Property be as follows:
 - a. Reciprocal Access and Drainage Agreement
 - b. City Recorded Documents

NOW THEREFORE, In consideration of the mutual benefits accruing to the Parties and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. Priority and Subordination.

- (a) Each Recorded Item, and any and all renewals and extensions thereof, shall unconditionally be and remain at all times a lien or charge on the Phase One Property, having the relative priority with respect to the other Recorded Items as set forth above in Recital I. Each Party intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Recorded Items to which it is a party in favor of the lien or charge upon the Phase One Property of the other Recorded Items to the extent necessary so that the Recorded Items shall have the relative priority set forth above in Recital I
- (b) Each Party acknowledges that it has been offered a satisfactory opportunity to review each of the Recorded Items and related documents to the extent that it wishes to review them.
- (c) Each Party will enter into a subordination agreement substantially similar to this Agreement with any lender which refinances the loan secured by the City Recorded Documents.

2. Reliance.

The Parties would not enter into the Recorded Items to which they are parties without this Agreement.

2. Recording.

Each Party consents to the recording of this Agreement.

3. <u>Notice of Default; Opportunity to Cure.</u>

(a) Each Party shall give each of the other Parties notice of default under each

Recorded Item in favor of such Party prior to enforcing remedies for such default against Phase Two Owner or the Phase One Property and each of the other Parties shall have the right to cure such default at any time that Phase Two Owner would have a right to cure it. In no event shall a Lender have less than sixty (60) days to cure a default.

- (b) If, prior to a foreclosure sale under a Recorded Item, a Lender or an entity wholly owned by a Lender takes title to the Phase One Property and cures the default on that Recorded Item, the beneficiary of that Recorded Item will not exercise any right it may have to accelerate the indebtedness secured by that Recorded Item solely by reason of that transfer (or will accept reinstatement if acceleration has already occurred).
- (c) In the event Lender acquires title to the Phase One Property, Lender shall have the right to assume and succeed to Phase Two Owners obligations under any or all of the Recorded Items in favor of any other Lender and the documents secured by those Recorded Items, under the terms and conditions existing prior to the default, upon compliance with the reasonable requirements of the Lender which is the beneficiary of those other Recorded Items as to assumptions.

4. Miscellaneous.

- (a) <u>Entire Agreement.</u> This Agreement constitutes the entire agreement among the Parties with respect to the priority of the lien and charge of the Recorded Items against the Phase One Property and all prior understandings and agreements on that subject, if any, are superseded and replaced by this Agreement.
- (b) <u>Applicable Law.</u> This Agreement shall be governed by and construed in accordance with the laws of the state where the Phase One Land is located.
- Successors; Assignment. This Agreement is for the benefit of the Lenders and their respective successors and assigns, and any provision hereof may be waived or modified by agreement of Lenders without the consent of Phase Two Owner, and without affecting the priority of the liens and charges of the Recorded Items as provided in this Agreement. The heirs, administrators, assigns and successors-in-interest of the Parties shall be bound by this Agreement. This Agreement may be assigned by a Party only as a part of an assignment of such Party's interest in the Phase One Property.
- (d) <u>Notices.</u> All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when hand-delivered, or two business days after deposit in the U.S. mail, postage prepaid, to the Parties at the addresses set forth below, or to such other place as a Party may from time to time designate for itself by notice to the other Parties. No successor or assign of a Party shall be entitled to notices or opportunity to cure defaults hereunder unless notice of the transfer is given in accordance with this subsection.
- (e) <u>Amendment.</u> This Agreement may be amended only by a writing signed by the Parties, but this clause shall not impair the validity of any further agreements among fewer than all of the Parties as among themselves.
- (f) <u>Legal Costs.</u> In the event of any litigation, arbitration or other legal proceeding in which any Party seeks to enforce its rights under this Agreement or to recover damages for the breach thereof, the prevailing Party or Parties shall be entitled to recover its legal costs and expenses, including but not limited to attorneys' fees, from the non-prevailing Party or

Parties, whether such costs and expenses are incurred in connection with trial court proceedings, on appeal, in bankruptcy or other insolvency proceedings, in post-judgment collection proceedings, or otherwise.

- (g) <u>Counterparts.</u> This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and whether or not all Parties execute each counterpart.
- (h) <u>Completion of Recording Information.</u> This Agreement is signed without completion of certain recording information called for above, any Party or any escrow agent or title insurance company acting on the instructions of any Party is hereby authorized to insert such information prior to recording this Agreement.

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OR CHARGE OF SOME OTHER OR LATER INSTRUMENT.

CITY:

CITY OF COALINGA, a California municipal corporation

Ву:	
Its:	
	ONE OWNER: AN PLACE APARTMENT INVESTORS, L.P.
	ia limited partnership
•	munity Revitalization and Development Corporation, a California nonprofit on, its Managing General Partner
By:	
Dav	id Rutledge, President
Ву:	
	rus Youssefi, individually Iministrative General Partner
Δ	ministrative ocheral i altifel

PHASE TWO OWNER:

WARTHAN PLACE APARTMENT INVESTORS II, L.P., a California limited partnership

By: Community Revitalization and Development Corporation, a California nonprofit Corporation, its Managing General Partner

By:	
	David Rutledge, President
Ву:	Egis Group, Inc., a California corporation, as Co-Administrative General Partner
By:	
	John Cicerone, President
By:	
	Cyrus Youssefi, individually,
	Co-Administrative General Partner

EXHIBIT A LEGAL DESCRIPTION

Phase Two Land is Described as:

Parcel 1 of Parcel Map 08-01, according to the map thereof recorded May 13, 2013 in Book 71, Pages 76-78 of Parcel Maps, in the City of Coalinga, County of Fresno, State of California, in the office Of the County Recorder of Fresno County.

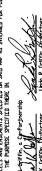
Phase One Land is Described as:

Parcels 2 and 3 of Parcel Map 08-01, according to the map thereof recorded May 13, 2013 in Book 71, Pages 76-78 of Parcel Maps, in the City of Coalinga, County of Fresno, State of California, in the office Of the County Recorder of Fresno County.

Copy of the Recorded Parcel Map 08-01 is attached and made a part hereof on Exhibit B (next 3 pages)

OWNER'S STATEMENT

RECORDED TO THE PRINCE MANN AN PRECED THE DIFFEST METERS THE LAND VARIENT THE CARRY STREAM OF THIS WAY AND DFTER FOR BEDIEVING HER PUBLIC USE THE PARKETS AND THE PUBLIC DISTRIBUTION OF THIS WAY SECURIED IN SIDD WAS AND THE PUBLIC T



NOTARIAL ACKNOWLEDGEMENT

STATE OF CALIFORNIA COUNTY OF FRESHO

January 31,2013. BFDE K. Nina D. OxLover

A NDTARY PUBLIC, PERSONALLY APPEARED

VAID PROVED TO NE. TO, THE BASIS OF SASTISA-CITOR FUTBROCE TO BE THE PERSONS VOKES WEEKS LOSSES, SUSCESSUSFEED TO THE VITHIN DISSIPATION THAN NEXT PLEASE WHEN THE SAKE IN HEIS/HEAR. THERE WITHOURSED, DAY HEIS/HEAR. THE HEIS/HEAR SAKE IN HEIS/HEAR. THE RESTANCES, AND HAT BY HEIS/HEAR. SHAWING CO. TO THE INSTITUTION OF THE ENTITY OF THE SECOND TO THE PRITTY OF THE SECOND TO THE PRITTY OF THE PERSONS, ACTUD, DECULDED THE INSTRUMENT. Richard K. Griffin and Unda B. Griffin

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE S' CALIFORNIA THAT THE FUREGOING PARAGRAPH IS TRUE AND CORRECT.

STENATURE: TIME D. Oxhorrow **UITNESS NY HAND**

NWE WIND D. Oxbarow HY COMMISSION EXPIRES 5/24/13 COMMISSION NUMBER 1850874 COUNTY OF Freezon

THIS PROPERTY IS SUBJECT TO:

SAID LAND lies with the boundaries of the Inprovement District shown belon and is subject to any and all assessments levied thereunder.
Hore europer.
Name of District Pleasant Valley Water District

RIGHTS AND EASEMENTS for navigation and fishery which may exist over that portion of sold land lying beneath the waters of Varthan Creek.

AN DIL AND GAS LEASE for the tern therein provided with certain conventati, controllering and providents, together with easternite, if only, as set, for 12 Super.

Lesson the mass X Adversor.

Lesson The Mahabeson Exportation Group, LLC

Recorded July 2007, Instrument No. 2007-0131330, of Official Recorded Records.

No assurance is node as to the present ownership of the leasehold created by said lease, how as to other natters fretching the right's or newests of the lessor or lessee in said lease. The herein described land and other

IMPROVEMENT NOTES:

A Melk Ingervenstra Studies (but not belief to carse, gutters, streets, sater, stern, stern sater and street lights all executive to the stern stern ond street lights all a state to the approvement Standards and subject to the approved of the City Engherer.

The supervised of the City Engherer.

The Subdivided his put Att Sterior Getillication paint improvements will be required at the thre of development.

portion of the Fractional North half of Section 4, Tomoship 21 South, Range 15 East, Hount Dabia Base and Meridan, according to the Official Thereof, described as Follows THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF COALINGA, COUNTY OF FRESKO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS

IDGENER VITH that portion of Block 119 of the City of Coulings, County of Fresto, State of California, according to the nap thereof recorded February 20, 1918 in Book 10 pages 3 to 8, inclusive, of Record of Surveys, Fresto County Records, described as follows

REGINING at a part on the Southerly extension of the East live of Vurthan Street, 180 feet from the Northeast corner of Block 64, according to the Official Kop extension, the City of Southeast County Records there Southerly using the extension East live of Vurthan Streets, a distance of 40 feet the Hydrock County to the South free of Rock 64, a distance of 40 feet) there East was provided to the East live of Vurthan Streets, a distance of 40 feet) there to westerny and parallel to the South live of Block 64, a distance of 40 feet to the Point of Rocking and Place of Block 64, a distance of 40 feet to the Point of Rocking and Place of Block 64, a distance of 40 feet to the Point of Rocking and Place 10 feet to the

XXEPTING THEXETRON that portion of the North half of Section 4, Towishp 21 South, Runge 15 East, Hourt Diablo Base and Meridian, according to the Official Plat thereof, described as follows

COMPULING at the Southnest corner of the Northnest quarter of sold Section 41 there North off 25 SV Vest, along the Vest like of the Northnest quarter of sold Section 4, a Section 4, a Selection 4, a Selection 5, a S

4.03 EXCEPTING INFERTRON on underlied one-half interest in and to all oil, gos, petroleum and other hydrocurbon substances and eleventies (excelled in the control property) in the propess of developing and extractly one size and property is the purpose of developing and extractly oil gost, elevents and other propess of developing and extractly oil gost, elevents and other propessors and extractly oil gost, elevents and other propessors and extractly of the size of the control of extractly of the control of the control of extractly of the control of gost and elevents and elevents and elevents and elevents and elevents and elevents of the control of said land.

ALSO EXCEPTING THERETRON that porton of the North half of Section 4, Township 21 South, Range 15 East, Hourt Dablo Base and Heridian, according to the Official Place thereof, described as follows

ALSO EXCEPTING THERSFRON that partien of the Northeast quarter of Section 4, Tomship 21 South, Rouge 15 East, Neart Dablo Base and Meridion, according to the Infilted left threefs, and being a perhan of Rocki 110 of a Callings, according to the map thereof recorded February 23, 1318 in Book 110 pages 3 to 8, reclusive, of Record of Surveys, Fresso County Records, described as challenges

BEDINING at a point 40 Feet Southerly along the Vesterly line of Hadran Street and 100 Feet Vesterly along a line parallel to the Southerly boundary line of Block of the Southers corner of Brock 64, according to the Efficie has of the City of Colorgy. Accorded Farvages, 27 180 in Apolic II pages 3 to 8, inclusive, of Records thereoe Vesterly along a line parallel to the Southerly boundary line of sold Block 64, adstance of 100 Feet theme. Southerly along a line parallel to the Southerly boundary line of sold Block 64, adstance of 100 Feet theme Southerly boundary line of Block 64, a distance of 100 Feet theme? Bestern Boundary line of Hadron Street, a distance of 100 Feet to the Southerly boundary line of Plotkon Street a distance of 100 Feet to the True Plots of Repairs.

08-01 PARGEL

Being a portion of the Fractional North Half of Section 4. Township 21 South, Range 15 East, Mount Diablo Base and Meridian, according to the Official Plat thereof. In the City of Coalinga, County of Fresno State of California

Consisting of 3 Sheets - Sheet 1 of 3 Sheets Surveyed and Platted in November 2012

SURVEYOR'S STATEMENT

HIS NOP WAS PREPARED BY HE OR UNDER MY DIRECTION AND IS DAKED UPDN A PIETED SIGNACY STUDY OF CHIEF DEB SIGNATION SHOP ACT AND LICKAL DEDINANCE AT THE REQUEST OF GRIFFIN L. RESPECTING, A CLI-PARTINESSURP ON PURPERES 2. OZU. I HERENES YSTOTIC THAT 19SP PAREL HAS SUBSTANTIALLY CON PURPERES TO THE APPROACH DE CANDITIONALLY APPROACH ENTAINED HAS A PER AND THE REPROACH DESIGNATION WAS AS SYSTEMATIC TO DAKE THE SURVEY THE REPROACH IN TORROR MOUNTAINED STAND HERED SAND HEREN STAND HERED STAND HERED STAND HERED SET VITHIN DO NEED TO SURVEY THE BATE OF THE STAND HERED STAND





CITY ENGINEER'S STATEMENT

I HEREBY STATE THAT I HAVE EXHINED THIS MAP, THAT THE SUBDIVISION AS SHOWN IS SUBMINITALLY THE PREPAIND IN EXPROYED LITERATURE AND ANY APPROVED ALTERATURES THEREIGF, THAT ALL PROVISIONS OF THE SUBJURISHING MAP AT AND ANY LICEAL ROBINANCE APPLICABLE AT THE TIME OF APPROVAL OF THE EXISTATIVE MAP AND SEEN COMPLIED VITH AND I AN SATISFIED THAT THE DAY THE ROBINANCE APPLICABLE OF THE STATE OF THE





I HEREN CRRIFY NAT THE CITY ORDINGLY BY HE CITY OF COLUMA BY WIND THE CITY OF COLUMA BY WITHIN WE NOW ACCEPTED ON BENJOUR THE AS A SOLIS OF MANDEN THE WITHIN WE NOW ACCEPTED ON BENJOUR THE FREEZ, ALL PRICELS OF LAW OF THE COLUMN THE MANDEN OF THE COLUMN THE MANDEN OF THE OFFICE OF EXPLICITION THE POBLIC OSE. THE OFFICE OF EXPLICITION THE MANDEN OFFICE OFFIC

BY: CLINDY STRINSTON, BEPUTY CITY CLERK

RECORDER'S STATEMENT

TO OF PARCEL MAPS AT PAGES TO 17, 19, AT THE REQUEST OF CRIS H. ROBLES 20 13, AT OB : DO ANTIN BUCK FEE \$ 12.00 DOCUMENT NO. 2013-0068488 FILED THIS 1344 DAY OF MAY

FRESNO COUNTY RECORDS PAUL DICTOS, C.P.A., RECORDER



Surveyed & Platted by:

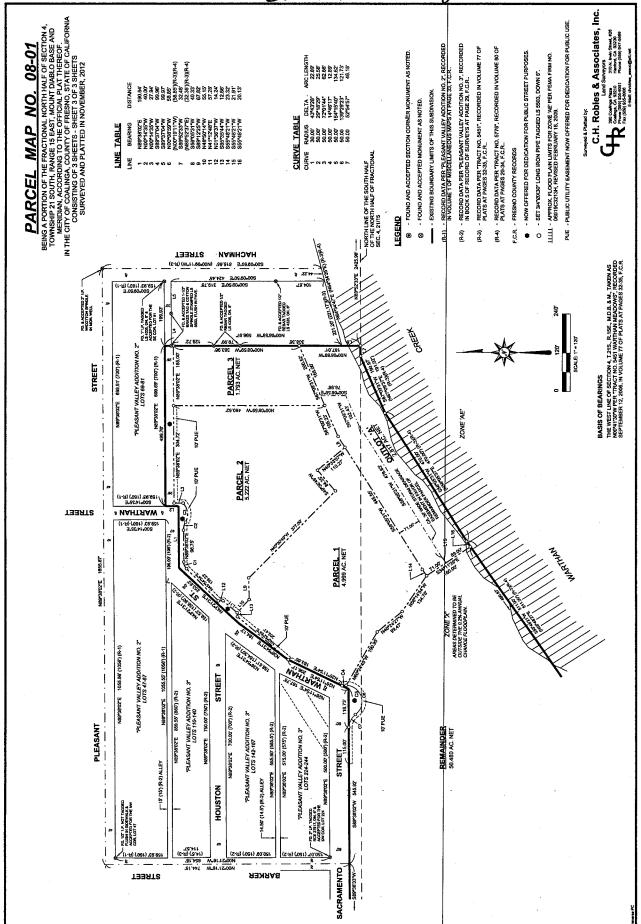
C.H. Robles & Associates, Inc. Land Surveying 310 N. Irwin Street, #26 Hanfard, Ca. 93230 Phone (559) 647-5669 390 Coalings Pleza Coalings, 02, 93210 Phone (559) 935-6051 Fex (559) 935-8906

Description: Fresno, CA Parcel Map - Book. Page 71.76 Page: 1 of 3 Order: adfassf Comment:

C.H. Robles & Associates, Inc.
Land Surveyors
Stronger Please 3101 Novel Strong 1750
Thomas (2015) 252-2501 Honor (2559) 1915-2509 470.00° (470.00°) (R-3) (R-4) (871.00°) (R-3) (R-4) (857.00°) (R-3) (R-4) (857.00°) (R-3) (R-4) (852.00°) (R-3) (R-4) (200.00°) (R-3) (R-4) .02) (R-3) (R-4) 1 - FOUND Z' BRASS CAP STAMPED LS 5332 IN MONUMENT WELL AND ACCEPTED FOR CENTERLINE SACRAMENTO STREET PER "TRACT NO. 5245", RECORDED IN BOOK IIIII - APPROX, FLOOD PLAIN LIMITS FOR ZONE 'AE' PER FEMA FIRM NO. 08019C3213H, REVISED FEBRUARY 18, 2009. **AVENUE** МЕВСЕВ SBSTSTE SCALIC
FIRESTONE AVENUE ALIGNMENT POLK STREET ST.ITEI (E-A) (ST.ITEI

Description: Fresno, CA Parcel Map - Book. Page 71.76 Page: 2 of 3

Order: adfassf Comment:



Description: Fresno,CA Parcel Map - Book.Page 71.76 Page: 3 of 3 Order: adfassf Comment: