

RECORDING REQUESTED BY, AND  
WHEN RECORDED RETURN TO:

Banner Bank  
110 S. Ferrall Street  
Spokane, Washington 99202  
Loan Nos. 14018412 and 14018413

(SPACE ABOVE FOR RECORDER'S USE)

**SUBORDINATION AGREEMENT  
(COUNTY OF SANTA BARBARA)**

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

THIS SUBORDINATION AGREEMENT (this “**Agreement**”), dated for reference purposes as of \_\_\_\_\_, 2023, is entered into by and among BUELLTON POLO VILLAGE PARTNERS LP, a California limited partnership (“**Borrower**”), COUNTY OF SANTA BARBARA, a political subdivision of the State of California (“**Junior Lienholder**”), and BANNER BANK, a Washington corporation, and its successors and/or assigns (“**Banner**”), as agent (in such capacity, “**Agent**”) for the California Statewide Communities Development Authority, a joint exercise of powers agency, duly organized and validly existing under the laws of the State of California (“**Issuer**”), under and pursuant to that certain Master Agency Agreement (as amended from time to time, the “**Master Agency Agreement**”) dated as of \_\_\_\_\_ 1, 2023, between Issuer, as issuer, and Agent, as agent. Issuer and its successors in interest in and to this Agreement, acting through Agent during the term of Agent’s agency, and acting on their own behalf or through other agents thereafter, are referred to herein as “**Senior Lienholder**”.

**RECITALS**

A. Borrower (i) owns a fee interest in certain real estate more particularly described on Exhibit A, and all improvements now or hereafter located thereon (collectively, the “**Real Property**”), and (ii) that certain personal property more particularly described in the Senior Loan Documents (the “**Personal Property**”; together with the Real Property, the “**Property**”).

B. Each of the documents listed on Exhibit B together with all other documents and materials entered into with Junior Lienholder with respect to the Property shall be referred to collectively as the “**Junior Obligation Documents**”.

C. As used herein, the term “**Junior Obligations**” means any and all indebtedness, claims, debts, liabilities or other obligations from Borrower to Junior Lienholder under the Junior Obligation Documents, together with all costs and expenses, including attorneys’ fees, of collection thereof, whether the same accrues or is incurred before or after the commencement of any bankruptcy case by or against Borrower.

D. Borrower and Senior Lienholder desire that Senior Lienholder and Borrower enter into that certain Construction and Term Loan Agreement dated as of even date herewith (as amended from time to time, the “**Senior Loan Agreement**”), pursuant to which Senior Lienholder has agreed to make two loans (collectively, the “**Senior Loan**”) to Borrower in the aggregate principal amount of \$\_\_\_\_\_.

in accordance with the terms and conditions set forth in the Senior Loan Agreement. Borrower's obligations to Senior Lienholder under the Senior Loan Agreement are evidenced and/or are secured by, among other things, (i) that certain Construction Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of even date herewith ("Senior Deed of Trust"), made by Borrower for the benefit of Senior Lienholder and (ii) the other Loan Documents described in the Senior Loan Agreement. The Senior Deed of Trust is being recorded substantially concurrently herewith in the Official Records of the County of Santa Barbara (the "Official Records"). The Senior Loan Agreement, the Senior Deed of Trust, and the other Loan Documents (as defined in the Senior Loan Agreement) are hereinafter collectively referred to as the "Senior Loan Documents".

E. As used herein, the term "Senior Lienholder Indebtedness" means any and all indebtedness, claims, debts, liabilities or other obligations from Borrower to Senior Lienholder under the Senior Loan Documents, together with all interest accruing thereon and all costs and expenses, including attorneys' fees, of collection thereof, whether the same accrues or is incurred before or after the commencement of any bankruptcy case by or against Borrower.

F. Pursuant to the Senior Deed of Trust and the other Senior Loan Documents, Borrower is not entitled to further encumber the Property without the prior written consent of Senior Lienholder, which consent may be withheld in Senior Lienholder's sole discretion.

G. It is a condition precedent to Senior Lienholder to entering into the Senior Loan Documents and consenting to the recordation of any of the Junior Obligation Documents that the Senior Deed of Trust and the other Senior Loan Documents be and remain at all times a lien or charge upon the Property, prior and superior to the liens or charges of the Junior Obligation Documents.

H. Senior Lienholder is willing to consent to the recordation of the recordable Junior Obligation Documents, provided that (1) the Senior Deed of Trust and the other Senior Loan Documents are a lien or charge upon the Property prior and superior to the liens or charges of the Junior Obligation Documents, and (2) Junior Lienholder will specifically subordinate the liens or charges of the Junior Obligation Documents to the lien or charge of the Senior Deed of Trust and the other Senior Loan Documents.

I. Junior Lienholder is willing that the Senior Deed of Trust shall constitute a lien or charge upon the Property which is prior and superior to the liens or charges of the Junior Obligation Documents. The parties hereto enter into this Agreement for the purposes set forth in these Recitals.

J. Capitalized terms used herein and not otherwise defined shall have the meanings set forth for them in the Senior Loan Agreement.

## **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Senior Lienholder to make the Senior Loan, it is hereby declared, understood, and agreed as follows:

1. Subordination. The Senior Deed of Trust in favor of Senior Lienholder, and all amendments, modifications, extensions and renewals thereof shall unconditionally be and remain at all times a lien or charge on the Property prior and superior to the lien or charge of the Junior Obligation Documents. Junior Lienholder intentionally and unconditionally subordinates the lien or charge of the

Junior Obligation Documents in favor of the lien or charge upon said land of the Senior Deed of Trust, and all amendments, modifications, extensions and renewals thereof, and understands that in reliance upon and in consideration of this subordination, specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this subordination.

2. Only Agreement Regarding Subordination. Senior Lienholder would not permit the recordation of any Junior Obligation Documents without this Agreement. This Agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Junior Obligation Documents to the lien or charge of the Senior Deed of Trust and shall supersede and cancel, but only insofar as would affect the priority between said deeds of trust and said covenants, conditions and restrictions, any prior agreements as to such subordination, including, but not limited to, those provisions, if any, contained in the Junior Obligation Documents which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

3. Loan Disbursements. In making disbursements pursuant to any of the Senior Loan Documents, Senior Lienholder is under no obligation or duty to, nor has Senior Lienholder represented that it will, see to the application of such proceeds by the person or persons to whom Senior Lienholder disburses such proceeds, and any application or use of such proceeds for purposes other than those provided for in such Senior Loan Document(s) shall not defeat the subordination herein made in whole or in part.

4. Consent and Approval. Junior Lienholder has received and consents to and approves the Senior Loan Documents, including but not limited to any extension, modification and/or amendment of said agreements, between Borrower and Senior Lienholder. No decision by Junior Lienholder to review or not review the Senior Loan Documents, including but not limited to the disbursement provisions contained therein, shall impair or otherwise limit the enforceability of this Agreement.

5. Other Agreements. Junior Lienholder and Borrower declare, agree, and acknowledge that:

5.1 Subordination of Indebtedness. Any and all Junior Obligations are hereby subordinated and subject to any and all Senior Lienholder Indebtedness, as set forth herein.

5.2 Permitted Payments. Borrower may make payments under the Junior Obligation Documents, if required, as long as all payments under the Senior Deed of Trust and the other Senior Loan Documents are current and not delinquent or in arrears, and only so long as at the time of such payment: (i) no Event of Default exists under the Senior Loan Agreement and no condition or event exists which, with the lapse of time or the giving of notice or both, would be an Event of Default under the Senior Lienholder Indebtedness of which Junior Lienholder has received notice; and (ii) the payment would not result in a violation of any of Borrower's financial covenants set forth in any of the documents evidencing the Senior Loan ("**Permitted Payments**").

5.3 Payment Subordination. Except for any Permitted Payments, (a) all of the Senior Lienholder Indebtedness now or hereafter existing shall be first paid in full by Borrower before any payment shall be made by Borrower on the Junior Obligations, and (b) this priority of payment shall apply at all times until all of the Senior Lienholder Indebtedness has been repaid in full. In the event of any assignment by Borrower for the benefit of Borrower's creditors, or any bankruptcy proceedings instituted by or against Borrower, or the appointment of any receiver for Borrower or Borrower's business or assets, or of any dissolution or other winding up of the affairs of Borrower or of Borrower's business, and in all such cases respectively, Borrower's officers and any assignee, trustee in bankruptcy, receiver and other person or

persons in charge are hereby directed to pay to Senior Lienholder the full amount of the Senior Lienholder Indebtedness before making any payments to Junior Lienholder due under the Junior Obligations.

5.4 Return of Prohibited Payments. Except as otherwise expressly agreed to herein, if Junior Lienholder shall receive any payments or other rights in any property of Borrower in connection with the Junior Obligations in violation of this Agreement, such payment or property shall immediately be delivered and transferred to Senior Lienholder after notice to Junior Lienholder.

5.5 Repayment of Senior Lienholder Indebtedness. This Agreement shall remain in full force and effect until all amounts due under the Senior Note and the Senior Loan Agreement are fully repaid in accordance with its terms and all of the terms of this Agreement have been complied with.

5.6 Standstill. Junior Lienholder agrees that, without the Senior Lienholder's prior written consent, it will not accelerate the Junior Obligations, commence foreclosure proceedings with respect to the Property, collect rents, appoint (or seek the appointment of) a receiver or institute any other collection or enforcement action. The foregoing notwithstanding, Junior Lienholder shall not be required to seek the Senior Lienholder's prior written consent to bring an action in equitable relief seeking the specific performance by the Borrower of the terms and conditions of the County HOME Regulatory Agreement and/or enjoining, abating, or preventing any violation of said terms and conditions, and/or seeking declaratory relief.

5.7 Refinance. Junior Lienholder additionally consents to the refinancing of the Senior Loan at its maturity, provided that such refinancing is made on terms substantially similar to those set forth in the Senior Loan Agreement and does not have a principal amount in excess of the original aggregate principal amount of the Senior Loan amount set forth above and reasonable and necessary costs associated with the closing and/or the refinancing). Junior Lienholder agrees to execute a new subordination agreement in favor of the lender of such refinanced Senior Loan as the senior lender. Such new subordination agreement shall be substantially similar to this subordination agreement but shall provide that only the refinanced Senior Loan shall be senior to the County HOME Deed of Trust. This Section 5.7 shall not require Junior Lienholder to, and Junior Lienholder shall not, subordinate the County HOME Regulatory Agreement to the refinanced Senior Loan

6. Senior Lienholder Agreements. Senior Lienholder agrees that it shall not complete a foreclosure sale of the Property or record a deed-in-lieu of foreclosure with respect to the Property (each, a "**Foreclosure Remedy**") unless Junior Lienholder has first been given ninety (90) days written notice of the Event(s) of Default giving Senior Lienholder the right to complete such Foreclosure Remedy, and unless Junior Lienholder has failed, within such ninety (90)-day period, to cure such Event(s) of Default; provided, however, that Senior Lienholder shall be entitled during such ninety (90)-day period to continue to pursue all of its rights and remedies under the Senior Loan Documents, including, but not limited to, acceleration of the Senior Loan (subject to any de-acceleration provisions specifically set forth in the Senior Loan Documents), commencement and pursuit of a judicial or non-judicial foreclosure (but not completion of the foreclosure sale), appointment of a receiver, enforcement of any guaranty (subject to any notice and cure provisions contained therein), and/or enforcement of any other Senior Loan Document. In the event Senior Lienholder has accelerated the Senior Loan and Junior Lienholder cures all Events of Default giving rise to such acceleration within the ninety (90) day cure period described above, such cure shall have the effect of de-accelerating the Senior Loan; provided, however, that such de-acceleration shall not waive or limit any of Senior Lienholder's rights to accelerate the Senior Loan or exercise any other remedies under the Senior Loan Documents as to any future or continuing Events of Default. It is the express intent of the parties hereunder that Senior Lienholder shall have the right to pursue all rights and remedies except completion of a Foreclosure Remedy without liability to Junior Lienholder for failure to provide timely

notice to Junior Lienholder required hereunder, and that Senior Lienholder's liability hereunder shall be expressly limited to actual and consequential damages to Junior Lienholder directly caused by Senior Lienholder's completion of a Foreclosure Remedy without Junior Lienholder receiving the notice and opportunity to cure described above, including, if applicable, any amount which Junior Lienholder may be required to pay to the U.S. Department of Housing and Urban Development pursuant to the HOME Investment Partnership Program, codified in 42 U.S.C. Section 12701, *et seq.* and 24 C.F.R. Part 92, on account of the HOME Loan referenced on Exhibit B. Senior Lienholder shall give Junior Lienholder notice at the address set forth below or such other address as Junior Lienholder may instruct Senior Lienholder in writing from time to time:

County of Santa Barbara  
Housing and Community Development  
123 East Anapamu Street, 2<sup>nd</sup> Floor  
Santa Barbara, California 93101  
Attention: Deputy Director

With a copy to:

Office of County Counsel  
County of Santa Barbara  
105 E. Anapamu Street, Room 201  
Santa Barbara, California 93101

7. Bankruptcy Provisions. To the extent any payment under any Senior Loan Document (whether by or on behalf of Borrower, as proceeds of security or enforcement of any right of set-off, or otherwise) is declared to be fraudulent or preferential, set aside or required to be paid to a trustee, receiver or other similar party under the Bankruptcy Code or any federal or state bankruptcy, insolvency, receivership or similar law, then if such payment is recovered by, or paid over to, such trustee, receiver or other similar party, the Senior Indebtedness or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

8. Casualty Insurance Proceeds; Condemnation Proceeds. In the event Senior Lienholder shall release, for the purposes of restoration of all or any part of the improvements, its right, title and interest in and to the proceeds under policies of insurance thereon, and/or its right, title and interest in and to any awards, or its right, title and interest in and to other compensation made for any damages, losses or compensation for other rights by reason of a taking in eminent domain, Junior Lienholder shall simultaneously release (and hereby agrees that it shall be irrevocably and unconditionally deemed to have agreed to release) for such purpose all of Junior Lienholder's right, title and interest, if any, in and to all such insurance proceeds, awards or compensation. Junior Lienholder agrees that the balance of such proceeds remaining after such restoration, or all of such proceeds in the event Senior Lienholder elects, in accordance with California law, not to release any such proceeds for any such restoration, shall be applied to the payment of amounts due under the Senior Loan Documents until all such amounts have been paid in full, prior to being applied to the payment of any amounts due under the Junior Obligation Documents. If Senior Lienholder holds such proceeds, awards or compensation and/or monitors the disbursement thereof, Junior Lienholder agrees that Senior Lienholder may also elect, in its sole and absolute discretion, to hold and monitor the disbursement of such proceeds, awards and compensation to which Junior Lienholder is or may be entitled. Nothing contained in this Agreement shall be deemed to require Senior Lienholder, in any way whatsoever, to act for or on behalf of Junior Lienholder or to hold or monitor any proceeds, awards or compensation in trust for or on behalf of Junior Lienholder, and all or any of such sums so held or monitored may be commingled with any funds of Senior Lienholder.

9. Effect of Other Agreements. The relationship between Borrower and Senior Lienholder under the Senior Loan Documents is, and shall at all times remain, solely that of borrower and lender. Based thereon, Junior Lienholder acknowledges and agrees that Senior Lienholder neither undertakes nor assumes any fiduciary responsibility or other responsibility or duty to Borrower or Junior Lienholder to guarantee or assist in Borrower's or Junior Lienholder's performance under any of the agreements between those parties and other third parties, including without limitation the Junior Obligation Documents.

10. Miscellaneous. This Agreement may be executed in multiple counterparts and the signature page(s) and acknowledgment(s) assembled into one original document for recordation, and the validity hereof shall not be impaired by reason of such execution in multiple counterparts. This Agreement is to be governed according to the laws of the State of California. In the event of action, suit, proceeding or arbitration to enforce any term of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party, as determined by the court or arbitrator, all of the prevailing party's costs and expenses, including without limitation attorneys' fees and expert witness fees, incurred by the prevailing party in connection therewith. If Junior Lienholder or any affiliate of Junior Lienholder shall acquire, by indemnification, subrogation or otherwise, any lien, estate, right or other interest in the Property, that lien, estate, right or other interest shall be subordinate to the Senior Deed of Trust and the other Senior Loan Documents as provided herein, and Junior Lienholder hereby waives, on behalf of itself and such affiliate, until all amounts owed under the Senior Loan Documents have been indefeasibly paid in full and all Senior Lienholder's obligations to extend credit under the Senior Loan Documents have terminated, the right to exercise any and all such rights it may acquire by indemnification, subrogation or otherwise. The Agreement shall inure to the benefit of, and the binding upon, the parties hereto and the respective successors and assigns.

*[Remainder of Page Intentionally Left Blank]*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.


NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH MAY ALLOW THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE PROPERTY.

**JUNIOR LIENHOLDER:**  
County of Santa Barbara,  
a political subdivision of the State of California

By: \_\_\_\_\_  
DAS WILLIAMS  
Board Chair


**APPROVED AS TO ACCOUNTING FORM:**

BETSY M. SCHAFFER, CPA, CPFO  
AUDITOR-CONTROLLER

By:  \_\_\_\_\_  
DocuSigned by:  
Robert Eis  
D25040E2AF004BE...  
Deputy

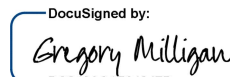
**APPROVED AS TO FORM:**

RACHEL VAN MULLEM  
COUNTY COUNSEL


By:  \_\_\_\_\_  
DocuSigned by:  
Lauren Wideman  
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Deputy County Counsel

**APPROVED AS TO ACCOUNTING FORM:**

RISK MANAGEMENT

By:  \_\_\_\_\_  
DocuSigned by:  
Gregory Milligan  
DC240AG1E64247D...  
Gregory Milligan, ARM, AIC  
Risk Manager

**APPROVED AS TO FORM:**  
COMMUNITY SERVICES DEPARTMENT

By:  \_\_\_\_\_  
DocuSigned by:  
Ashley Watkins  
B704DA0C5C044FE...  
George Chapjian, Director

**BORROWER:**

**BUELLTON POLO VILLAGE PARTNERS LP,**  
a California limited partnership

By: PC Buellton Developers LLC,  
a California limited liability company,  
its Administrative General Partner

By: Palm Companies LLC,  
a California limited liability company,  
its Managing Member

By:   
\_\_\_\_\_  
Danavon L. Horn  
President

By: Surf Development Company,  
a California nonprofit public benefit corporation,  
its Managing General Partner

By: \_\_\_\_\_  
Mark Paul  
Vice President



ACKNOWLEDGMENT

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.

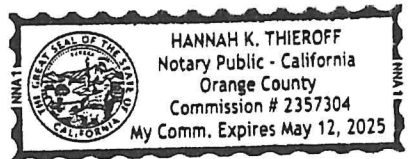
State of California )  
County of ORANGE ) ss

On JUNE 26<sup>TH</sup>, 2023 before me, HANNAH K. THIEROFF,  
a Notary Public, personally appeared DANAVON L. HORN, 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 [Handwritten Signature]



(SEAL)

**BORROWER:**

**BUELLTON POLO VILLAGE PARTNERS LP,**  
a California limited partnership

By: PC Buellton Developers LLC,  
a California limited liability company,  
its Administrative General Partner

By: Palm Companies LLC,  
a California limited liability company,  
its Managing Member

By: \_\_\_\_\_  
Danavon L. Horn  
President

By: Surf Development Company,  
a California nonprofit public benefit corporation,  
its Managing General Partner

By:   
\_\_\_\_\_  
Mark Paul  
Vice President

ACKNOWLEDGMENT

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 Santa Barbara ) ss

On June 27, 2023 before me, K. Mayer,  
a Notary Public, personally appeared Mark Paul, 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 K Mayer

(SEAL)



**SENIOR LIENHOLDER:**

**BANNER BANK,**

a Washington corporation, as Agent under  
the Master Agency Agreement dated as of  
\_\_\_\_\_ 1, 2023, between Agent and Issuer

By: \_\_\_\_\_  
Waheed Karim  
Vice President

**ACKNOWLEDGMENT**

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 \_\_\_\_\_, 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)

**EXHIBIT A**

Legal Description of the Property

The Land referred to herein below is situated in the City of Buellton, County of Santa Barbara, State of California, and is described as follows:

PARCEL ONE OF PARCEL MAP NO. 31,032 IN THE CITY OF BUELLTON, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 59, PAGES 11 THROUGH 14](#) OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, PETROLEUM, AND OTHER HYDROCARBON SUBSTANCES IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS RESERVED IN THE DEEDS FROM THE MERCHANTS TRUST COMPANY, A CORPORATION, RECORDED SEPTEMBER 5, 1912 IN [BOOK 137, PAGE 165](#) OF DEEDS AND RECORDED SEPTEMBER 24, 1913 IN [BOOK 141, PAGE 519](#) OF DEEDS, RECORDS OF SAID COUNTY, LYING WITHIN THE FOLLOWING DESCRIBED TRACT OF LAND:

BEGINNING AT THE EASTERLY TERMINUS OF THAT CERTAIN COURSE SHOWN AND DESIGNATED AS SOUTH 77° 37' 12" EAST, 135.54 FEET ON PARCEL MAP NO. 12,092 FILED IN [BOOK 15, PAGES 98 AND 99](#) OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTH 55° 36' WEST, 384.40 FEET; THENCE NORTH 62° 26' 30" WEST, TO THE INTERSECTION WITH A CURVE CONCAVE WESTERLY HAVING A RADIUS OF 1,232 FEET, A DELTA OF 09° 55' 29" AND AN ARC LENGTH OF 213.40 FEET, BEING A POINT ON THE WEST LINE OF SAID PARCEL B; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE TO THE SOUTHERLY TERMINUS THEREOF; THENCE NORTH 88° 08' 55" EAST, 26.44 FEET; THENCE SOUTH 68° 13' 38" EAST, 727.11 FEET; THENCE SOUTH 77° 37' 12" EAST, 135.54 FEET TO THE POINT OF BEGINNING.

SAID EXCEPTION AFFECTS THE SOUTHWESTERLY PORTION OF SAID LAND.

For conveyancing purposes only: APN 137-090-067

## EXHIBIT B

### JUNIOR OBLIGATION DOCUMENTS

1. County HOME Loan Agreement dated as of \_\_\_\_\_, 2023, executed by and between Borrower and Junior Lienholder.
2. ///[Promissory Note]/// dated as of \_\_\_\_\_, 2023, executed by Borrower to the order of Junior Lienholder in the face principal amount of ///[\$1,250,000]///.
3. ///[Deed of Trust with Assignment of Rents]/// dated as of \_\_\_\_\_, 2023 (the **“County HOME Deed of Trust”**), executed by Borrower for the benefit of Junior Lienholder and recorded in the Official Records substantially concurrently herewith.
4. ///[HOME Regulatory Agreement and Declaration of Restrictive Covenants]/// dated as of \_\_\_\_\_, 2023 (the **“County HOME Regulatory Agreement”**), executed by and between Borrower and Junior Lienholder and recorded in the Official Records substantially concurrently herewith.