

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

County of Orange
OC Community Resources/
OC Housing & Community Development
1501 E. St. Andrews Place, 1st Floor
Santa Ana, CA 92705
Attn: Director

ASSIGNMENT OF LOAN DOCUMENTS
AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT OF LOAN DOCUMENTS AND ASSUMPTION AGREEMENT (this “Agreement”) is made as of the _____ day of January, 2025 among CM MERCY HOUSE CHDO LLC, a California limited liability company (“Assignor”), COSTA MESA M6 LP, a California limited partnership (“Assignee”), and COUNTY OF ORANGE, a political subdivision of the state of California (“Lender”).

RECITALS:

A. Pursuant to a Loan Agreement dated as of November 8, 2022 (the “MSHA Loan Agreement”), the Lender has heretofore made a loan (“MHSA Loan”) to Assignor in the principal amount of Two Million Five Hundred Thousand and 00/100 Dollars (\$2,500,000.00).

B. The MHSA Loan is evidenced and secured by the following documents (collectively, the “MHSA Loan Documents”):

(i) The MHSA Loan Agreement;

(ii) Promissory Note dated December 8, 2022, payable to the Lender in the principal amount of \$2,500,000.00 made by Assignor in favor of Lender (the “MHSA Note”);

(iii) Leasehold Deed of Trust, Assignment of Rents and Security Agreement, Rents dated December 8, 2022 made by Assignor for the benefit of Lender, recorded in the Official Records of Orange County, California (the “Recorder’s Office”) on December 9, 2022 as Document No. 2022000402925 (“MHSA Deed of Trust”), creating a mortgage lien on Assignor’s ground leasehold estate and certain improvements thereon located in Orange County, California and legally described on Exhibit A attached hereto (the “Property”);

(iv) Assignment of Lessor’s Interest in Leases, Rents or Profits, dated December 8, 2022, by and from Assignor to and for the benefit of Lender, recorded with the Recorder’s Office on December 9, 2022 as Document No. 2022000402926 (“MHSA Assignment of Leases”); and

(v) Regulatory Agreement and Declaration of Restrictive Covenants, dated December 8, 2022, by and between Assignor and Lender, recorded with the Recorder's Office on December 9, 2022 as Document No. 2022000402920 (the "MHSA Regulatory Agreement").

C. Pursuant to a Loan Agreement dated as of November 8, 2022 (the "SCHFA Loan Agreement"), the Lender has heretofore made a loan ("SCHFA Loan") to Assignor in the principal amount of Two Million and 00/100 Dollars (\$2,000,000.00).

D. The SCHFA Loan is evidenced and secured by the following documents (collectively, the "SCHFA Loan Documents"):

(i) The SCHFA Loan Agreement;

(ii) Promissory Note dated December 8, 2022, payable to the Lender in the principal amount of \$2,000,000.00 made by Assignor in favor of Lender (the "SCHFA Note");

(iii) Leasehold Deed of Trust, Assignment of Rents and Security Agreement, Rents dated December 8, 2022 made by Assignor for the benefit of Lender, recorded in the Official Records of Orange County, California (the "Recorder's Office") on December 9, 2022 as Document No. 2022000402927 ("SCHFA Deed of Trust"), creating a mortgage lien on the Property;

(iv) Assignment of Lessor's Interest in Leases, Rents or Profits, dated December 8, 2022, by and from Assignor to and for the benefit of Lender, recorded with the Recorder's Office on December 9, 2022 as Document No. 2022000402928 ("SCHFA Assignment of Leases"); and

(v) Regulatory Agreement and Declaration of Restrictive Covenants, dated December 8, 2022, by and between Assignor and Lender, recorded with the Recorder's Office on December 9, 2022 as Document No. 2022000402921 (the "SCHFA Regulatory Agreement").

E. Pursuant to a Loan Agreement dated as of November 8, 2022 (the "ARPA Loan Agreement"), the Lender has heretofore made a loan ("ARPA Loan") to Assignor in the principal amount of Eight Hundred Fifty Thousand and 00/100 Dollars (\$850,000.00).

F. The ARPA Loan is evidenced and secured by the following documents (collectively, the "ARPA Loan Documents"):

(i) The ARPA Loan Agreement;

(ii) Promissory Note dated December 8, 2022, payable to the Lender in the principal amount of \$850,000.00 made by Assignor in favor of Lender (the "ARPA Note");

(iii) Leasehold Deed of Trust, Assignment of Rents and Security Agreement, Rents dated December 8, 2022 made by Assignor for the benefit of Lender, recorded in the

Official Records of Orange County, California (the “Recorder’s Office”) on December 9, 2022 as Document No. 2022000402929 (“ARPA Deed of Trust”), creating a mortgage lien on the Property;

(iv) Assignment of Lessor’s Interest in Leases, Rents or Profits, dated December 8, 2022, by and from Assignor to and for the benefit of Lender, recorded with the Recorder’s Office on December 9, 2022 as Document No. 2022000402930 (“ARPA Assignment of Leases”); and

(v) Regulatory Agreement and Declaration of Restrictive Covenants, dated December 8, 2022, by and between Assignor and Lender, recorded with the Recorder’s Office on December 9, 2022 as Document No. 2022000402922 (the “ARPA Regulatory Agreement”).

g. The MHSA Loan, the SCHFA Loan and the MHSA Loan are, collectively, the “Loans,” and the MHSA Loan Documents, SCHFA Loan Documents and ARPA Loan Documents are, collectively, the “Loan Documents.”

H. Assignor has requested that Lender consent to Assignor’s assignment of its rights and obligations under the Loans and the Loan Documents to Assignee, and Assignee’s assumption of the rights and obligations of Assignor under the Loans and the Loan Documents, and Lender is willing to agree to such assignment and assumption upon the terms and subject to the conditions herein contained.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties hereto hereby agree as follows:

1. Assignor’s Representations, Warranties, and Covenants. Assignor represents, warrants, and covenants as follows: (i) Assignor hereby assigns all of its rights and obligations under the Loan Documents to Assignee, (ii) there are no known Unmatured Defaults or Events of Default under the Assumed Loan Documents; (iii) there are no known defenses, set-offs or rights of defense, set-off or counterclaim, whether legal, equitable or otherwise, to Assignor’s obligations evidenced by or set forth in the Loan Documents; and (iv) all provisions of the Loan Documents are in full force and effect, except as expressly modified herein.

2. Assumption of Obligations. Assignee hereby assumes all present and future obligations of Assignor of every type and nature set forth in the Loan Documents in accordance with their respective terms and conditions. Assignee further agrees to abide by and be bound by all of the terms of the Loan Documents, in accordance with their respective terms and conditions, from and after the date hereof. From and after the date hereof, Assignee agrees to pay, perform, and discharge each and every obligation of payment and performance applicable to Assignee under, pursuant to and as set forth in the Loan Documents at the time, in the manner and otherwise in all respects as therein provided.

3. Consent to Assignment and Assumption. Subject to the terms and conditions set forth in this Agreement, Lender consents to the assignment by Assignor to Assignee of all of Assignor’s rights and obligations under the Loans and the Loan Documents and the assumption

by Assignee of the Loans and of the obligations of Assignor under the Loan Documents from and after the date hereof.

4. Modification of Loan Documents. From and after the date hereof: (a) references in any of the Loan Documents to any of the other Loan Documents will be deemed to be references to such of the Loan Documents as previously amended and as modified by this Agreement and any other amendments, restatements and replacements of the Loan Documents; (b) references in the Loan Documents to the terms “Borrower” or “Assignor” shall hereafter be deemed to refer to Assignee; and (c) all references to the term “Loan Documents” in any of the Loan Documents shall hereafter refer to the Loan Documents referred to herein and as previously amended and as modified hereby or in connection herewith, this Agreement.

5. Entire Agreement. This Agreement and the documents contemplated to be executed herewith constitutes the entire agreement among the parties hereto with respect to the assumption of the Loan and shall not be amended unless such amendment is in writing and executed by each of the parties. This Agreement and the Loan Documents may not be amended, revised, waived, discharged, released or terminated orally, but only by a written instrument or instruments executed by the party against which enforcement of the amendment, revision, waiver, discharge, release or termination is asserted. Any alleged amendment, revision, waiver, discharge, release or termination which is not so documented shall not be effective as to any party.

6. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which will be an original, but all of which, taken together, will constitute one and the same Agreement.

7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

8. Relationship with Loan Documents. To the extent that this Agreement is inconsistent with any of the Loan Documents, this Agreement will control and the Loan Documents will be deemed to be amended hereby to confirm to the terms of this Agreement. Except as amended hereby, the Loan Documents shall remain unchanged and in full force and effect in accordance with their terms.

9. Time is of the Essence. Time is of the essence with respect to all provisions of this Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;
SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered on the date and year first written above.

ASSIGNOR:

CM MERCY HOUSE CHDO LLC
a California limited liability company

By: Mercy House CHDO, Inc.
a California nonprofit public benefit corporation
its Manager

By: _____
Name: _____
Its: _____

ASSIGNEE:

COSTA MESA M6 LP,
a California limited partnership

By: CDP Costa Mesa M6 LLC
a California limited liability company
its Administrative General Partner

By: CDP Manager LLC
a Delaware limited liability company
its Manager

By: _____
Name: _____
Its: _____

By: CM Mercy House CHDO LLC,
a California limited liability company
its Managing General Partner

By: Mercy House CHDO, Inc.,
a California nonprofit benefit corporation
its Manager

By: _____
Name: _____
Its: _____

[SIGNATURES CONTINUE ON NEXT PAGE]

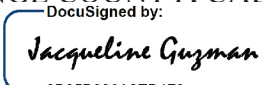
LENDER:

COUNTY OF ORANGE,
a political subdivision of the state of California

By: _____
Julia Bidwell, Director
OC Community Resources,
OC Housing and Community Development
County of Orange

APPROVED AS TO FORM

COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

By:  _____
3B85B806A2EB4F3...
Jacqueline Guzman
Deputy

Dated: 12/20/2024 _____

[END OF SIGNATURES]

On _____, _____, before me, _____,
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.

[Seal]

On _____, _____, before me, _____,
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.

[Seal]

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 _____, before me, _____,
 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

