

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

MidPen Housing Corp.
303 Vintage Park Drive, Suite 250
Foster City, CA 94404

(Space Above This Line For Recorder's Use)

APN: 0037-053-580

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 SECURITY INSTRUMENT.

THIS AGREEMENT is made this ____ day of _____, 2026, by and between County of Solano ("Subordinating Party"), MP Sunset Pines LLC, a California limited liability company ("Owner"), Owner of the land hereinafter described, and MidPen Housing Corporation, a California nonprofit public benefit corporation ("Lender").

WITNESSETH

THAT WHEREAS, Owner has executed a deed of trust dated April 15, 2021 to Old Republic Title Company, a California corporation, as Trustee, covering:

Real property in the City of Fairfield, County of Solano, State of California, as further described in Exhibit A attached hereto and incorporated herein by this reference

to secure a Note in the sum of \$200,000, dated April 14, 2021, in favor of Subordinating Party, which Deed of Trust was recorded as Instrument No. 202100040890 of said County; and

WHEREAS, Owner has executed, or is about to execute, a Deed of Trust and Note in the sum of \$5,593,402.27 in favor of "Lender," payable with interest and upon the terms and conditions described therein, which Deed of Trust is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said Deed of Trust last above mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the Deed of Trust first above mentioned; and

WHEREAS, Lender is willing to make said loan provided the Deed of Trust securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the Deed of Trust first above mentioned and provided that Subordinating Party will specifically and unconditionally subordinate the lien or charge of the Deed of Trust first above mentioned to the lien or charge of the Deed of Trust in favor of Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Subordinating Party is willing that the Deed of Trust securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the Deed of Trust first above mentioned.

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 Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

- (1) That said Deed of Trust securing said Note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the Deed of Trust first above mentioned.
- (2) That Lender would not make its loan above described without this subordination agreement.
- (3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Deed of Trust first above mentioned to the lien or charge of the Deed of Trust in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the Deeds of Trust hereinbefore specifically described, any prior agreement as to such subordination including, but not limited to, those provisions, if any, contained in the Deed of Trust first above mentioned, which provide for the subordination of the lien or charge thereof to another Deed or Deeds of Trust or to another Mortgage or Mortgages.
- (4) That in the event of an action, on the part of Lender or Subordinating Party (as applicable, the "Enforcing Party"), to enforce the Enforcing Party's rights under the Deed of Trust in favor of the Enforcing Party, all proceeds of such action shall be split, pro rata, between Lender and Subordinating Party, in proportion to the amount of debt outstanding under each respective loan provided, however, that in the event of an uncurable default under the regulatory agreement between Owner and Subordinating Party, all proceeds of such action shall be allocated to Subordinating Party until the outstanding debt owed by Owner to Subordinating Party has been fully repaid and all remaining proceeds shall be paid to Lender.

Subordinating Party declares, agrees, and acknowledges that:

- (a) It consents to and approves (i) all provisions of the Note and Deed of Trust in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;
- (b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;
- (c) It intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Deed of Trust first above mentioned in favor of the lien or charge upon said land of the Deed of Trust in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and 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 waiver, relinquishment and subordination; and

- (d) An endorsement has been placed upon the Note secured by Deed of Trust first above mentioned that said Deed of Trust has by this instrument been subordinated to the lien or charge of the Deed of Trust in favor of Lender above referred to.

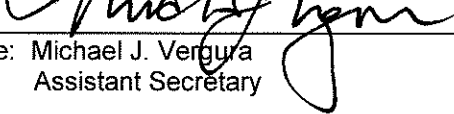
NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN THE IMPROVEMENT OF THE LAND.

[Signature page follows]

WHEREAS, this Subordination Agreement has been executed by the parties as of the date first written above.

Lender:

MIDPEN HOUSING CORPORATION
a California nonprofit public benefit corporation

By: 
Name: Michael J. Vergara
Title: Assistant Secretary

Subordinating Party:

COUNTY OF SOLANO
A political subdivision of the State of California

By: _____
Name: Ian M. Goldberg
Title: County Administrator

JOINDER

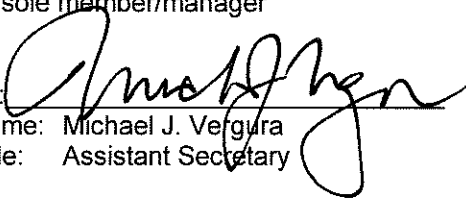
Unless expressly defined herein, all capitalized terms used herein shall have the same meanings ascribed to them in the Subordination Agreement (the "Subordination Agreement") to which this Joinder is attached.

The undersigned hereby acknowledges receipt of a copy of the Subordination Agreement and, as fee owner of the Property, hereby consents to, approves and agrees to be bound by all of the terms and conditions set forth in the Subordination Agreement.

BORROWER:

MP Sunset Pines LLC,
a California limited liability company

By: Mid-Peninsula Hermanas, Inc.,
a California nonprofit public benefit corporation,
its sole member/manager

By: 
Name: Michael J. Vergara
Title: Assistant Secretary

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.

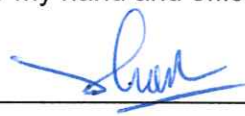
State of California)
County of San Mateo)

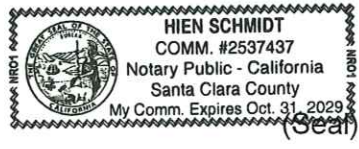
On June 02, 2026, before me, Hien Schmidt,
(insert name and title of the officer)

Notary Public, personally appeared Michael J. Vergara,
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 



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.

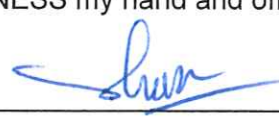
State of California)
County of San Mateo)

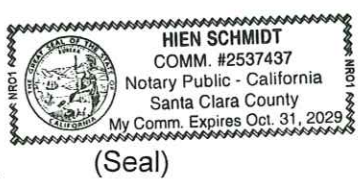
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State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)

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.

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WITNESS my hand and official seal.

Signature _____ (Seal)

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State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)

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.

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WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT "A"

LEGAL DESCRIPTION

The land referred to is situated in the County of Solano, City of Fairfield, State of California, and is described as follows:

Parcel 1, as shown on the Parcel Map filed October 5, 1988 in Book 33 of Parcel Maps, at Page 27, Solano County Records.

APN: 0037-053-580