

## PROMISSORY NOTE

\$5,000,000

San Bernardino, California  
November 18, 2025

FOR VALUE RECEIVED, the undersigned E Street Veterans Apartments, LP, a California limited partnership ("Borrower") hereby promises to pay to the order of San Bernardino County, a political subdivision of the State of California ("Holder"), the principal amount of up to Five Million Dollars (\$5,000,000), or so much thereof as is disbursed to Borrower pursuant to the Loan Agreement, plus interest thereon pursuant to Section 2 below.

1. Borrower's Obligation. This Promissory Note (the "Note") is secured by that certain Deed of Trust with Assignment of Rents, Security Agreement, and Fixture Filing ( the "Deed of Trust"), of even date herewith, evidences the Borrower's obligation to pay the Holder the principal amount of up to Five Million Dollars (\$5,000,000) for the funds loaned to the Borrower by Holder to finance cost of the Development pursuant to the Loan Agreement between the Borrower and the Holder dated of event date herewith (the "Loan Agreement"). All capitalized terms used but not defined in this Note have the meanings set forth in the Loan Agreement.

2. Interest.

(a) Subject to the provisions of subsection (b) below, simple interest will accrue on the outstanding principal balance of the Loan at a per annum rate of simple interest equal to three percent (3%), commencing on the date of disbursement until full repayment of the principal of the Loan.

(b) If an Event of Default occurs, interest will accrue on all amounts due under this Note at the Default Rate until such Event of Default is cured by Borrower or waived by Holder.

3. Term and Repayment Requirements. The unpaid principal balance hereunder, together with accrued interest thereon, is due and payable no later than the date that is the fifty-fifth (55<sup>th</sup>) anniversary of the Completion Date (as defined in the Loan Agreement). This Note is due and payable as set forth in Section 2.7 of the Loan Agreement.

4. No Assumption. This Note is not assumable by the successors and assigns of Borrower without the prior written consent of Holder, except as provided in the Loan Agreement.

5. Security. This Note, with interest, is secured by the Deed of Trust. Upon execution, the Deed of Trust will be recorded in the official records of San Bernardino County, California, against the Borrower's leasehold interest in the Property. Upon recordation of the Deed of Trust, this Note will become nonrecourse to Borrower, pursuant to and except as provided in Section 2.8 of the Loan Agreement which section is hereby incorporated into this

Note. The terms of the Deed of Trust are hereby incorporated into this Note and made a part hereof.

6. Terms of Payment.

(a) Borrower shall make all payments due under this Note in currency of the United States of America to Holder at Community Development and Housing Department, San Bernardino County, 560 East Hospitality Lane, Suite 200, San Bernardino, CA 92415-0043, Attn: Carrie Harmon, Director, or to such other place as Holder may from time to time designate.

(b) All payments on this Note shall be without expense to Holder, and Borrower agrees to pay all costs and expenses, including reconveyance fees and reasonable attorney's fees of Holder, incurred in connection with the payment of this Note and the release of any security hereof.

(c) Notwithstanding any other provision of this Note, or any instrument securing the obligations of Borrower under this Note, if, for any reason whatsoever, the payment of any sums by Borrower pursuant to the terms of this Note would result in the payment of interest that exceeds the amount that Holder may legally charge under the laws of the State of California, then the amount by which payments exceed the lawful interest rate will automatically be deducted from the principal balance owing on this Note, so that in no event is Borrower obligated under the terms of this Note to pay any interest that would exceed the lawful rate.

(d) The obligations of Borrower under this Note are absolute and Borrower waives any and all rights to offset, deduct or withhold any payments or charges due under this Note for any reason whatsoever.

(e) Borrower may prepay the amounts due under this Note at any time without premium or penalty.

7. Event of Default; Acceleration.

(a) Any of the following shall constitute an Event of Default under this Note:

1. Any failure to pay in full any payment required under this Note within five (5) days of when such payment is due, subject to the notice and cure period set forth in the Loan Agreement;

2. Any failure in the performance by the Borrower of any term, condition, provision or covenant set forth in this Note subject to the notice and cure period set forth in the Loan Agreement; or

3. The occurrence of any Event of Default under the Loan Agreement, the Deed of Trust, the Regulatory Agreement, or other instrument securing the obligations of the Borrower under this Note or under any other promissory notes hereafter issued by the Borrower to the Holder pursuant to the Loan Agreement or the Deed of Trust, subject to notice and cure periods, if any, set forth therein.

(b) Upon the occurrence of an Event of Default, the entire unpaid principal balance, together with all interest thereon, and together with all other sums then payable under this Note and the Deed of Trust will, at the option of Holder, become immediately due and payable upon written notice by the Holder to the Borrower without further demand.

(c) Holder's failure to exercise the remedy set forth in subsection 7(a) above or any other remedy provided by law upon the occurrence of an Event of Default does not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other Event of Default. The acceptance by Holder of any payment that is less than the total of all amounts due and payable at the time of such payment does not constitute a waiver of the right to exercise any of the foregoing remedies or options at that time or at any subsequent time, or nullify any prior exercise of any such remedy or option, without the express consent of Holder, except as and to the extent otherwise provided by law.

8. Waivers.

(a) Borrower hereby waives diligence, presentment, protest and demand, and notice of protest, notice of demand, notice of dishonor and notice of non-payment of this Note. Borrower expressly agrees that this Note or any payment hereunder may be extended from time to time, and that Holder may accept further security or release any security for this Note, all without in any way affecting the liability of Borrower.

(b) Any extension of time for payment of this Note or any installment hereof made by agreement of Holder with any person now or hereafter liable for payment of this Note must not operate to release, discharge, modify, change or affect the original liability of Borrower under this Note, either in whole or in part.

9. Non-Recourse. Pursuant to the terms of Section 2.8 of the Loan Agreement, upon recordation of the of the Deed of Trust, the Loan is a non-recourse obligation of the Borrower. The sole recourse of the Holder with respect to the principal of, or interest on, this Note and defaults by the Borrower in the performance of its covenants under the Deed of Trust shall be to the property described in the Deed of Trust; provided, however, that nothing contained in the foregoing limitation of liability shall: (a) limit or impair the enforcement against all such security for the Note of all the rights and remedies of the Holder thereunder; or (b) be deemed in any way to impair the right of the Holder to assert the unpaid principal amount of the Note as demand for money within the meaning and intent of Section 431.70 of the California Code of Civil Procedure or any successor provision thereto.

10. Miscellaneous Provisions.

(a) All notices to Holder or Borrower shall be given in the manner and at the addresses set forth in the Loan Agreement, or to such addresses as Holder and Borrower may therein designate.

(b) Borrower promises to pay all costs and expenses, including reasonable attorney's fees, incurred by Holder in the enforcement of the provisions of this Note, regardless of whether suit is filed to seek enforcement.

(c) This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

(d) This Note shall be governed by and construed in accordance with the laws of the State of California.

(e) The times for the performance of any obligations hereunder are to be strictly construed, time being of the essence.

(f) The Loan Documents, of which this Note is a part, contain the entire agreement between the parties as to the Loan. This Note may not be modified except upon the written consent of the parties.

IN WITNESS WHEREOF, Borrower has executed this Promissory Note as of the day and year first above written.

**BORROWER:**

E Street Veterans Apartments, LP,  
a California limited partnership

By: U.S.VETS – E Street LLC,  
a California limited liability company,  
its managing general partner

By: U.S.VETS Housing Corporation,  
a California nonprofit public benefit corporation,  
its managing member

By: \_\_\_\_\_  
Lori Allgood, Chief Operating Officer

By: Kingdom Development, Inc.,  
a California nonprofit public benefit corporation,  
its member

By: \_\_\_\_\_  
William Leach, President