



Electronically
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San Bernardino County

Assessor-Recorder-County Clerk

DOC# 2025-0306482

Recording Requested By:
Commonwealth Land Title Company

When recorded mail to:
Goldfarb & Lipman LLP
1300 Clay Street, 11th Floor
Oakland, CA 94612

12/16/2025

09:00 AM

SAN

J9534

Titles: 1 Pages: 16

Fees \$0.00

Taxes \$0.00

CA SB2 Fee \$0.00

Total \$0.00

SUBORDINATION AGREEMENT

9175398

SUBORDINATION AGREEMENT
(City/County – E Street USVETS)

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

THIS SUBORDINATION AGREEMENT (the "Agreement") is made as of November 18, 2025, by E Street Veterans Apartments, LP, a California limited partnership ("Borrower"), the San Bernardino County, a political subdivision of the State of California (the "County"), City of San Bernardino, a California charter city and municipal corporation (the "City").

RECITALS

A. Borrower intends to construct a twenty-nine (29) unit housing development, not including one (1) manager's unit (the "Improvements"), on certain real property located at 1351 North E Street, City of San Bernardino, San Bernardino County, State of California as more particularly described in Exhibit A (the "Property"). The Improvements and the Property are collectively referred to as the "Development."

B. Borrower and the County entered into that certain Loan Agreement (the "County Loan Agreement") dated November 18, 2025, pursuant to which the County agreed to provide a loan to Borrower in the amount of Five Million Dollars (\$5,000,000) (the "County Loan"). The County Loan is to be used to partially finance Borrower's Development. The County Loan is evidenced by a Promissory Note in the amount of the County Loan (the "County Note") dated as of November 18, 2025, and secured by a Deed of Trust with Assignment of Rents, Security Agreement, and Fixture Filing dated as of November 18, 2025, naming Borrower as trustor, the County as beneficiary, and Commonwealth Land Title Company as trustee (the "County Deed of Trust") recorded ~~concurrently herewith~~. In connection with the County Loan, the County and Borrower also executed a Regulatory Agreement and Declaration of Restrictive Covenants, dated as of November 18, 2025 (the "County Regulatory Agreement") recorded ~~concurrently herewith~~.

** 12/15/2025 as inst. no. 2025-0305790 in the official records of San Bernardino County, California* *** 12/15/2025 as inst. no. 2025-0305787 in the official records of San Bernardino County, California*

C. Borrower and the City entered into that certain Permanent Local Housing Allocation Loan Agreement (the "City PLHA Loan Agreement") dated as of December 8, 2025, pursuant to which the City agreed to provide a loan to Borrower in the amount of One Million Nine Hundred Eighty-Five Thousand Four Hundred One Dollars and Zero Cents (\$1,985,401) (the "City PLHA Loan"). The City PLHA Loan will be used to partially finance Borrower's Development. The City PLHA Loan is evidenced by a Promissory Note in the amount of the City PLHA Loan (the "City PLHA Note") dated as of December 8, 2025, and secured by a Deed of Trust with Assignment of Rents, Security Agreement, and Fixture Filing dated as of December 8, 2025, naming Borrower as trustor, the City as beneficiary, and Commonwealth Land Title Company as trustee (the "City PLHA Deed of Trust"), recorded ~~concurrently herewith~~. In connection with the City PLHA Loan, the City and Borrower also executed the

** 12/15/2025 as inst. no. 2025-0305791 in the official records of San Bernardino county, California.*

Regulatory Agreement, dated as of November 18, 2025, and recorded ^{*} concurrently herewith. Collectively, the City PLHA Loan Agreement, the City PLHA Note, the City PLHA Deed of Trust, the City PLHA Loan Agreement shall be referred to herein, collectively, as the "City PLHA Loan Documents." * 12/15/2025 as inst no. 2025-0305788 in the official records of San Bernardino county, California.

D. Borrower, the City, and the County desire to enter into this agreement to subordinate the rights of the City under the City Deed of Trust, City PLHA Deed of Trust, and City PLHA Regulatory Agreement to the County Regulatory Agreement and the County agrees to subordinate the rights of the County under the County Deed of Trust to the City PLHA Regulatory Agreement.

E. Borrower, City, and the County hereby acknowledge under this Agreement that the order of priority of the County Loan Documents and City PLHA Loan Documents shall be as follows.

1. County Regulatory Agreement
2. City PLHA Regulatory Agreement
3. County Deed of Trust
4. City PLHA Deed of Trust

NOW THEREFORE, for valuable consideration the parties agree as follows:

1. Borrower and the City each acknowledge and agree for the benefit of the County that the County Regulatory Agreement, and any modifications, renewals, or extensions thereof approved in writing by the City, shall unconditionally be and at all times remain a lien or charge on the Property prior and superior to the rights of the City under the City PLHA Deed of Trust and City PLHA Regulatory Agreement. The City intentionally and unconditionally subordinates all of the City's right, title and interest in and to the City PLHA Deed of Trust, City PLHA Regulatory Agreement to the lien or charge of the County Regulatory Agreement.

2. Borrower and the County each acknowledge and agree for the benefit of the City that City Regulatory Agreement, and any modifications, renewals, or extensions thereof approved in writing by the County, shall unconditionally be and at all times remain a lien or charge on the Property prior and superior to the rights of the County under the County Loan Documents, except the County Regulatory Agreement. The County intentionally and unconditionally subordinates all of the County's right, title and interest in and to the County Loan Documents, except the County Regulatory Agreement, to the lien or charge of the City PLHA Regulatory Agreement.

3. The County agrees that, upon the occurrence of an event of default under the County Loan Documents, the County shall:

(a) concurrently with notifying Borrower of the occurrence of an event of default, notify the City of the occurrence of such event of default by delivering a notice to the City at its address set forth in the City PLHA Loan Agreement;

(b) permit the City to cure or correct (provided that such event of default is curable) any such event of default within ninety (90) calendar days after receipt of such notice;

(c) accept all payments and all acts done by the City on behalf of Borrower within the cure period specified in subparagraph 4(b), above, as though the same had been timely done and performed by Borrower, so that such acts and payments shall fully and totally cure and correct all such defaults, breaches, failures or refusals for all purposes; and

(d) have the continuing right to record a notice of default, obtain a court appointed receiver and otherwise exercise the County's rights and remedies under the County Loan Documents during the above-mentioned cure period.

4. The City agrees that, upon the occurrence of an event of default under the City PLHA Loan Documents, the City shall:

(a) concurrently with notifying Borrower of the occurrence of an event of default, notify the County of the occurrence of such event of default by delivering a notice to the County, at its address set forth in the County Loan Agreement;

(b) permit the County to cure or correct (provided that such event of default is curable) any such event of default within ninety (90) calendar days after receipt of such notice;

(c) accept all payments and all acts done by the County on behalf of Borrower within the cure period specified in subparagraph 5(b), above, as though the same had been timely done and performed by Borrower, so that such acts and payments shall fully and totally cure and correct all such defaults, breaches, failures or refusals for all purposes; and

(d) have the continuing right to record a notice of default, obtain a court appointed receiver and otherwise exercise the City's rights and remedies under the City PLHA Loan Documents during the above-mentioned cure period.

5. The parties hereto agree to cooperate with each other and perform any acts and execute, acknowledge and deliver any additional agreements, documents, or instruments that may be reasonably necessary or desirable to carry out the provisions or to effectuate the purpose of this Agreement.

6. If, subject to the terms of Section 5 above, prior to any foreclosure sale of the Development under the County Deed of Trust, the County takes title to or possession of the Development pursuant to a foreclosure sale of the Development under the County Deed of Trust and cures the outstanding defaults under the City PLHA Loan, if any, the City hereby agrees not to exercise any rights it may have to accelerate the City PLHA Loan by reason of the transfer of title or possession to the County, or if acceleration has already occurred, the City hereby agrees that it will reinstate the City PLHA Loan, as applicable, at that time, and agrees that it will recognize the County as borrower under the City PLHA Loan under the same terms and conditions of said City PLHA Loan, provided that: (i) the County expressly assumes all of Borrower's obligations under the City Loan Documents, and (ii) the County provides the City

with evidence reasonably satisfactory to the City that the County has authority to assume all of Borrower's obligations under the City Loan Documents.

7. If the City takes title to the Development pursuant to a foreclosure sale of the Development under the City PLHA Deed of Trust and cures the outstanding defaults under the County Loan Documents, if any, the City shall have the right to transfer the Development to another nonprofit housing developer reasonably approved in advance in writing by the County. In connection with any such transfer approved by the County, the County agrees that such transfer shall not constitute a default under the County Loan Documents, and the County shall not exercise any rights it may have to accelerate the County Loan as a result of such transfer, provided such transferee expressly assumes the obligations of Borrower under the County Loan Documents.

8. This Agreement represents the entire agreement among the parties on the subject matter hereof, and except as expressly provided herein, shall not be affected by reference to any other documents. Neither this Agreement nor any provision hereof may be changed, waived, discharged, or terminated orally, but such may be accomplished only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge, or termination is sought.

9. If any of the provisions or terms of this Agreement shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other of the terms hereof, and this Agreement shall be construed as if such unenforceable term had never been contained herein.

10. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute and be construed as one and the same instrument.

Exhibit A is attached hereto and incorporated herein by this reference.

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 IMPROVEMENT OF THE LAND.

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT HERETO.

[SIGNATURES ON FOLLOWING PAGES]

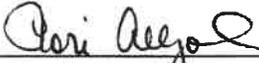
IN WITNESS WHEREOF, the parties have entered into this Agreement, as of the date first written above.

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: Signed in Counterpart
William Leach, President

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have entered into this Agreement, as of the date first written above.

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a California nonprofit public benefit corporation,
its member

By: 
William Leach, President

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

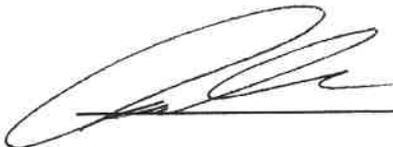
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of the document.

STATE OF GA)
COUNTY OF COBB)

On 11/25, 2025, before me, Rao Mumin Umar, notary public, personally appeared LOZEL ALLGOOD 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 signatures on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

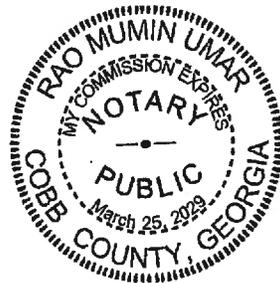
I certify under PENALTY OF PERJURY under the laws of the State of GA that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature

(SEAL)



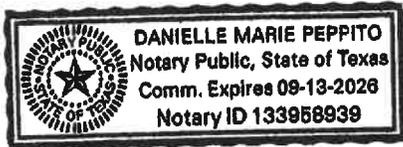
A notary public or other officer completing this certificate only verifies the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

The State of Texas

County of Denton

Before me, Danielle Marie Peppito, Notary Public, on this day personally appeared William Leach, known to me or through TX Driver's License to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or entity upon behalf of which the person acted, executed the instrument.

Given under my hand and seal of office this 25 day of November, 2025.



Danielle Marie Peppito
Notary Public, State of Texas

DocuSign Envelope ID: DF35D8CF-1811-40D8-AF90-CDAF87C88195

COUNTY:

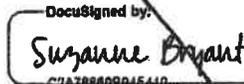
**SAN BERNARDINO COUNTY, a political subdivision of the
State of California**

By:


Luther Snoke, Chief Executive Officer

APPROVED AS TO LEGAL FORM:

**LAURA FEINGOLD
County Counsel**

By: 
C2A788600015440...
Suzanne Bryant, Deputy County Counsel

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

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 San Bernardino)

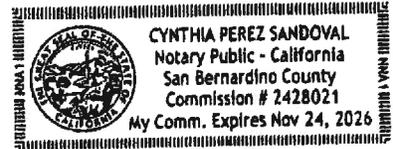
On December 9, 2025 before me, Cynthia Perez Sandoval- Notary Public
(insert name and title of the officer)

personally appeared Luther Snoke,
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.

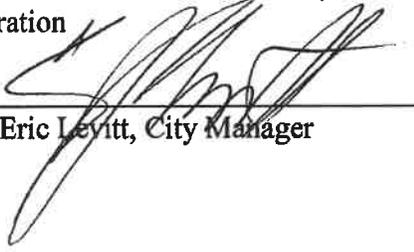
Signature Cynthia Perez S. (Seal)

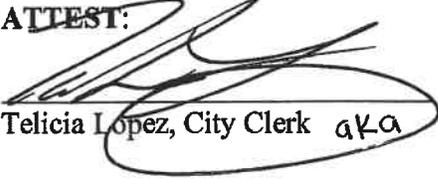


CITY:

Date: 12/1/25

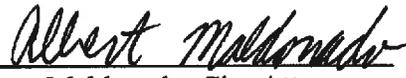
CITY OF SAN BERNARDINO, a municipal corporation

By: 
Eric Levitt, City Manager

ATTEST: 
Telicia Lopez, City Clerk

aka Telicia Chanett Lopez

APPROVED AS TO FORM:


Albert Maldonado, City Attorney

[SIGNATURES MUST BE NOTARIZED]

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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 Bernardino

On 12/1/25 before me, Rebecca Garcia Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Eric Levitt
Name(s) of Signer(s)

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.



Place Notary Seal and/or Stamp Above

Signature [Handwritten Signature]
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer is Representing: _____

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer is Representing: _____

NOTARY ACKNOWLEDGMENT STATEMENT

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 Bernardino

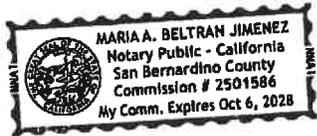
On 12/01/2025, before me, Maria A. Beltran Jimenez a Notary Public, personally appeared Telicia Chanett Lopez, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same 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]



CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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 Bernardino }

On 12/1/25 before me, Rebecca Garcia, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Albert Maldonado
Name(s) of Signer(s)

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]
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____ Signer's Name: _____

Corporate Officer – Title(s): _____ Corporate Officer – Title(s): _____

Partner – Limited General Partner – Limited General

Individual Attorney in Fact Individual Attorney in Fact

Trustee Guardian or Conservator Trustee Guardian or Conservator

Other: _____ Other: _____

Signer is Representing: _____ Signer is Representing: _____

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

BEING A PORTION OF LOT 11, IN BLOCK 34, 5 ACRE SURVEY OF RANCHO SAN BERNARDINO, CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, FILED IN BOOK 7, PAGE 2 OF MAPS, RECORDS OF SAID COUNTY, AS SHOWN AS LOT MERGER NO. LM 2023-004, IN THE CERTIFICATE OF COMPLIANCE RECORDED AUGUST 24, 2023, AS INSTRUMENT NO. 2023-0208268 OF OFFICIAL RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE EAST BOUNDARY LINE OF "E" STREET OF SAID CITY, 238.16 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT 11, SAID POINT BEING ON THE SOUTH LINE OF DOCUMENT RECORDED DECEMBER 15, 2022, AS INSTRUMENT NO. 2022-0400312 OF OFFICIAL RECORDS OF SAID COUNTY;

THENCE ALONG SAID LINE, NORTH 89° 17' 52" EAST, A DISTANCE OF 299.01 FEET, MORE OR LESS, TO A POINT MIDWAY BETWEEN THE SAID EAST BOUNDARY LINE OF SAID "E" STREET AND THE WEST BOUNDARY LINE OF "D" STREET OF SAID CITY;

THENCE SOUTH 00° 20' 18" EAST, A DISTANCE OF 116.98 FEET TO THE SOUTH LINE OF SAID LOT 11;

THENCE ALONG SAID LINE, SOUTH 89° 36' 20" WEST, A DISTANCE OF 299.02 FEET, MORE OR LESS, TO THE WEST BOUNDARY LINE OF SAID "E" STREET;

THENCE ALONG SAID LINE, NORTH 00° 19' 53" WEST, A DISTANCE OF 115.38 FEET TO THE POINT OF BEGINNING.

THE PRECEDING FOUR COURSES PER RECORD OF SURVEY 22-01062, RECORDED IN BOOK 176, PAGE 60 OF RECORDS OF SURVEY, RECORDS OF SAID COUNTY.

APN: 0145-211-55-0-000



San Bernardino County

DELEGATED AUTHORITY – DOCUMENT REVIEW FORM
Executive Signature

This form is for use by any department or other entity that has been authorized by Board of Supervisors/Directors' action to execute grant applications, awards, amendments or other agreements on their behalf. All documents to be executed under such delegated authority must be routed for County Counsel and County Administrative Office review prior to signature by designee. For detailed instructions on delegated authority, reference Section 7.2 of the Board Agenda Item Guidelines.

Department/Agency/Entity: Community Development and Housing Due Back to Department By (Date):

Contact Name: Amanda Tower Telephone: 909-501-0611

Who Needs to Sign the Documents (CEO or Chair)? CEO Signature Needed: [X] Wet [] Digital [X] Notarized

Return Hardcopies to Department Via: [X] Pick up at 385 N. Arrowhead Ave., 5th Floor [] IOM Mail Code:

Agreement No.: Amendment No.: Date of Board Item: 11/18/25 Board Item No.: 25

Name of Contract Entity/Project Name: E Street Veterans Apartments Project

Include information from the Board Agenda Item that delegates authority, a justification for approval by the specified authority and how it connects to the original recommendation. Also include a brief background on the request, including details as to what program is being served, documents that require signature, and any other pertinent information, such as dollar amounts, date changes and details that summarize the action requested. If additional space is needed, please attach a separate page.

The Community Development and Housing Department (CDH) requests the CEO's notarized signature on the Regulatory Agreement and Declaration of Restrictive Covenants and Subordination Agreements related to the E Street Veterans Apartments. Specifically, this includes the Regulatory Agreement and Subordination Agreement No. 25-891 between E Street Veterans Apartments, LP, the City of San Bernardino, and the County, concerning the City's \$1,985,401 in Permanent Local Housing Allocation (PLHA) funds and Subordination Agreement No. 25-890 between the County and Banc of California. The Subordination Agreements secure the County's lien rights on the development, while the Regulatory Agreement ensures the project operates according to program requirements and protects the County's investment over time.

On November 18, 2025 (Item No. 25), the Board of Supervisors delegated signature authority to the Chief Executive Officer to execute Subordination Agreements No. 25-891 and No. 25-890 and the Regulatory Agreement related to the closing of the E Street Veterans Apartments.

- The following documents are required for this request; check that they are included:
[X] Documents proposed for signature (for contracts, include a signed non-standard contract coversheet for contracts not submitted on a standard contract form).
[X] Board Agenda item that delegated the authority.

Table with 3 rows and 3 columns: Department Routed to County Counsel, County Counsel Name, Date Sent, Reviewing County Counsel Use Only, Review Date, Determination, CAO-Special Projects Use Only, Review Date, Disposition.

Note: This process should NOT be used to execute documents under a master agreement or template, or for construction contract change orders. Contact your County Counsel for instructions related to review of these documents.