

**FIRST AMENDMENT TO RESIDUAL RECEIPTS
PROMISSORY NOTE SECURED BY DEED OF TRUST
TO THE CITY OF HUNTINGTON BEACH, CALIFORNIA**

This **FIRST AMENDMENT TO RESIDUAL RECEIPTS PROMISSORY NOTE SECURED BY DEED OF TRUST TO THE CITY OF HUNTINGTON BEACH** (“**First Amendment No. 1**”) is made and entered into as of _____, 2025 (“**Effective Date**”) by and between **BEACH HOUSING PARTNERS LP**, a California limited partnership (“**Borrower**”), and **CITY OF HUNTINGTON BEACH**, a municipal corporation of the state of California (“**City**”).

R E C I T A L S:

The following Recitals are a substantive part of this First Amendment. Capitalized terms used in these Recitals and not otherwise defined shall have the meaning set forth in the Agreement (defined below).

A. On or about January 5, 2021, City, the Huntington Beach Housing Authority, and Borrower entered into that certain Affordable Housing Agreement (the “**Agreement**”), pursuant to which, among other things, City provided certain financial assistance to Borrower to assist Borrower to construct a forty-three (43) unit senior affordable housing development known as “Pelican Harbor” (the “**Project**”), on certain real property located at 18431 Beach Boulevard, in the City of Huntington Beach, State of California.

B. At the Closing, Borrower executed that certain Residual Receipts Promissory Note Secured by Deed of Trust to the City of Huntington Beach, California, dated February 1, 2022, to evidence and set forth the repayment terms of the Inclusionary Loan (the “**Inclusionary Note**”).

C. Borrower completed construction of the Project on November 26, 2024, as evidenced by City’s issuance of a certificate of occupancy, and is pursuing Conversion.

D. Borrower’s construction and permanent financing are funded with proceeds of mortgage revenue bonds issued by the California Municipal Finance Authority, and thereafter loaned to Borrower by U.S. Bank National Association, as “Funding Lender.” The original TEFRA hearing authorizing issuance of the bonds has expired, resulting in the need for a new TEFRA hearing to be held by City.

E. City has agreed to hold the TEFRA hearing provided Borrower agree to certain changes to the terms of the City and Authority loan documents, as further set forth herein and in certain amendments to the Agreement, Amended and Restated Covenants, and the HOME Note, all of which amendments are to be entered into concurrently herewith.

A G R E E M E N T:

NOW, THEREFORE, City and Owner hereby agree as follows:

1. The Inclusionary Note is hereby amended to provide that commencing in the twentieth (20th) year following the year in which the Occupancy Date occurs, the Inclusionary

Note shall accrue simple interest at the rate of five percent (5%) per annum on the principal amount outstanding.

2. The Inclusionary Note is hereby amended to change the “Maturity Date” to the ninety-ninth (99th) anniversary of the Occupancy Date (i.e., November 26, 2123).

3. Except as expressly modified by this First Amendment, all of the provisions of the Inclusionary Note remain in full force and effect and shall govern the relationship of the Parties.

4. This First Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[End – Signature Page Follows]

IN WITNESS WHEREOF, City and Owner each hereby represents that it has read this First Amendment, understands it, and hereby executes this First Amendment to be effective as of the day and year first written above.

“CITY”

CITY OF HUNTINGTON BEACH, a municipal corporation of the State of California

By: _____
Travis Hopkins
City Manager

ATTEST:

By: _____
Lisa Lane Barnes, City Clerk

APPROVED AS TO FORM:



Michael J. Vigliotta, City Attorney

“AUTHORITY”

**HUNTINGTON BEACH HOUSING
AUTHORITY**, a public body, corporate and politic

By: _____
Travis Hopkins
Executive Director

ATTEST:

By: _____
Lisa Lane Barnes, Authority Secretary

APPROVED AS TO FORM:



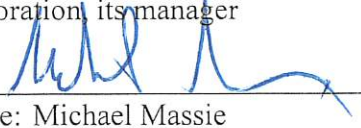
Michael J. Vigliotta
Authority Counsel

“OWNER”

BEACH HOUSING PARTNERS LP,
a California limited partnership

By: JHC-Beach LLC,
a California limited liability company
its Managing General Partner

By: Jamboree Housing Corporation,
a California nonprofit public benefit
corporation, its manager

By: 
Name: Michael Massie
Title: Executive Vice President and
Chief Development Officer