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with California Government
Code sections 6103 and 27383

RECORDING REQUESTED BY, AND
WHEN RECORDED, MAIL TO:

Department of Housing and
Community Development
Division of Financial Assistance
P. O. Box 952054, MS 400
Sacramento, CA 94252-2054

Attn: AMC Manager 04-FWHG-303

JUNIOR LIENHOLDER'S ACKNOWLEDGEMENT AND CONSENT

The County of Napa, a political subdivision of the State of California (referred to hereinafter as "Junior Lienholder") hereby acknowledge and consent to the following:

1. Napa Valley Housing Authority (referred to hereinafter as "NVHA"), a California joint powers authority and political division of the County of Napa and owner of 3996 Saint Helena Highway, Calistoga CA; APN: 020-230-007(referred to herein after as the "Property") legally described on Exhibit A attached hereto, was granted a principal sum of ONE MILLION SIXTY-SIX THOUSAND SIX HUNDRED FIFTY AND 00/100 Dollars (\$1,066,650.00) by the California Department of Housing and Community Development a public agency of the State of California (the Department). The grant is evidenced by a promissory note dated August 23, 2005 and secured by a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing ("Deed of Trust) on the Property and was recorded on August 23, 2005 as document 2005-0034470 in the Official Records of the County of Napa (Official Records). The Property use is regulated by a regulatory agreement (Regulatory Agreement) recorded on August 23, 2005 as document 2005-0034471. These documents are here after collectively known as the "Original Serna Grant Documents".
2. Junior Lienholder made a loan to NVHA in the principal sum of FIVE HUNDRED THOUSAND AND 00/100 Dollars (\$500,000.00) evidenced by a promissory note, which is secured by a Deed of Trust recorded on August 25, 2005 as document 2005-0034473 in the Official Records. Concurrently, the parties also entered into a County Regulatory Agreement recorded August 25, 2005 as document 2005-0034474 in the Official Records. These documents are here after collectively known as the "Junior lienholder loan documents".

3. In 2006, for the purpose of increasing the Department loan amount, the Department and NVCH entered into an agreement “Modification of Deed of Trust and Modification of Promissory Note Secured By Deed of Trust and Modification of Regulatory Agreement and Notification of Modification of Deed of Trust and Promissory Note Secured by Deed of Trust” dated September 26, 2006 and recorded on November 09, 2006 as Document Number 2006-0039724 in the Official Records (First Modification). The Department granted the NVHA an additional FIVE HUNDRED THOUSAND AND 00/100 dollars (\$500,000). The promissory note was increased \$500,000. NVHA and the Department entered into a new modified agreement of the Regulatory Agreement and Deed of Trust recorded on November 9, 2006 as document 2006-0039724 in the Official Records hereinafter referred to as “Second Modification.”
4. A Memorandum Agreement was entered into by and between Napa County Housing Authority, a California joint powers authority and political division of the County of Napa (referred to hereinafter as “NCHA”) and NVHA where NVHA assigned all rights and obligations of the property to NCHA on April 16, 2008 and recorded on May 8, 2008 under document no. 2008-0011704 in the Official Records.
5. Subsequently, the Junior lienholder and NVHA entered into an Assignment and Assumption of Regulatory Agreements, Deeds of Trusts, Promissory Notes and Loan Agreements for Napa County Affordable Housing Trust Fund Loans for the River Ranch, Calistoga and Mondavi Farmworker Housing Centers from NVHA to NCHA which is recorded on May 8, 2008 under document no. 2008-0011706 in the Official Records (NVHA Assignment and Assumption”). Concurrently, the Department modified its Regulatory Agreement (referred to hereinafter as second modification) with NCHA to amend the termination date and was recorded on May 8, 2008 under document no. 2008-0011707 in the Official Records. Through the same transaction, the Department, NVHA, and NCHA also entered into an Assignment and Assumption of Regulatory Agreements, Deeds of Trust, Promissory Notes and Standard Agreements for 04-FWHG- 303 Agreement which was recorded on May 8, 2008 as document No. 2008-0011708 in the Official Records here after referred as “Third Modification”.
6. The Junior Lienholder signed a Junior Lienholder acknowledgement and consent document subordinating the Junior lienholder loan documents to the Department’s second modification agreement and third modification agreement recorded on May 8, 2008 as document 2008-0011709 in the Official records.
7. In 2019, pursuant to Health and Safety Code sections 50406 and 50711.5, the Department started granting funds up to TWO HUNDRED AND FIFTY THOUSAND AND 00/100 dollars (\$250,000) to be paid each year for 10 years to the NCHA. Pursuant to this grant, the department required and extension of its Regulatory Agreement to become coterminous with the 10-year grant period.

8. Pursuant to the grant referred to in number 7, the Department requires an amendment of its Regulatory Agreement to become co-terminus with the 10-year grant period and is to be recorded contemporaneously with this document (here after referred to as the “fourth modification.”
9. The Department’s Original Serna Loan Documents, First Modification, Second Modification, Third Modification and Fourth Modification are hereafter collectively referred to as “Senior loan Documents”.
10. The Junior Lienholder consents to the Fourth Modification and to the terms and provisions of the Fourth modification and the transactions contemplated by it.
11. The Junior Lienholder acknowledges that its Junior Lienholder documents are subordinate to the Department's Senior loan documents.

[Continue to next page]

[SIGNATURE PAGE]

[All signatures must be Acknowledged]

JUNIOR LIENHOLDER:

County of Napa,

a California joint powers authority and political division of the County of Napa

By: _____

Name: _____

Title: _____

Date: _____

ATTEST: _____
Clerk of the Napa County
Board of Supervisors

By: _____

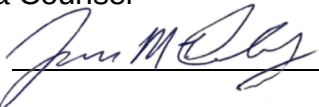
APPROVED AS TO FORM:

APPROVED BY THE BOARD OF SUPERVISORS

Date: _____

Processed By: _____

Napa Counsel

BY:  _____

NAME: Jason M. Dooley

TITLE: Deputy County Counsel

Deputy Clerk

Exhibit A to Junior Lienholder's Acknowledgement and Consent

Legal Description of the Property

The land referred to herein below is situated in the Unincorporated Area of Calistoga, County of Napa, State of CA and is described as follows:

PARCEL ONE:

A portion of the lands of Heublein, Inc. as described in the Deed to Mont La Salle Vineyards, filed in the office of the County Recorder of Napa County, California in [Book 536 of Official Records at Page 97](#), more particularly described as follows:

Commencing at the California State Division of Highways concrete right-of-way monument designated y.325781.66 x.1847112.27 on the California State Division of Highway Location Map Number IV-NAP-29-C (Sheet 7), said map being filed in the Office of the Assessor of the County of Napa, California at Highway Map #B-9-5; thence South 47° 51' 26" East, 20.00 feet to an undesignated concrete right-of-way monument as shown on the aforementioned map, said monument being the True Point of Beginning of this description; thence North 42° 08' 34" East, 100.00 feet to a small nail and shiner; thence South 27° 04' 29" East, 148.71 feet to an iron spike; thence South 47° 51' 26" East, 200.00 feet to an iron spike; thence South 42° 08' 34" West, 200.00 feet to an iron spike marking the Northeast right-of-way of State Highway No. 29; thence North 47° 51' 26" West, 313.11 feet, and North 12° 08' 34" East, 45.03 feet along said right-of-way line to the True Point of Beginning.

PARCEL TWO:

An easement, 20 feet wide, for road and utility purposes as contained in the document recorded August 8, 1993 as Series Number [1993-0024901](#) of Official Records lying 20 feet on the Northerly side of the following described lines:

Commencing at the California State Division of Highways concrete right-of-way monument designated y.325781.66 x.1847112.27 on the California State Division of Highway Location Map Number IV-NAP-29-C (Sheet 7), said map being filed in the Office of the Assessor of the County of Napa, California at Highway Map #B-9-5; thence South 47° 51' 26" East, 20.00 feet to an undesignated concrete right-of-way monument as shown on the aforementioned map, said monument being the True Point of Beginning of this description; thence North 42° 08' 34" East, 100.00 feet to a small nail and shiner.

PARCEL THREE:

Sewage Easement as Contained in Agreement by and Between Diageo North America, Inc., and Napa Valley Housing Authority Dated May 16, 2005 Recorded June 24, 2005 Instrument No. [2005-0025135](#) And Restated by Instrument No. [2005-0031834](#) of Official Records.

Assessor's Parcel Number: 020-230-007