

SECOND AMENDMENT TO LOAN AGREEMENT AND NOTE

SWANS MARKET PROJECT

\$1,150,000 COMMERCIAL DEVELOPMENT LOAN

THE OAKLAND REDEVELOPMENT SUCCESSOR AGENCY, LENDER

AND

EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION, BORROWER

SECOND AMENDMENT TO LOAN AGREEMENT AND NOTE

The Loan Agreement originally by and between the Redevelopment Agency of the City of Oakland (“Redevelopment Agency”), a community redevelopment agency organized and existing under Community Redevelopment Law, and Swans Marketplace Partnership, L.P., (the “Partnership”), dated June 18, 1998 (the “Loan Agreement”), and the Promissory Note Secured by Deed of Trust executed by Partnership in connection with this loan (the “Note”), as amended by that First Amendment to Promissory Note of Swans Marketplace Partnership, L.P. dated August 18, 2005 (the “First Amendment”), is hereby amended by this Second Amendment to Loan Agreement and Note (“Second Amendment”) dated for reference as of _____, 2020 (“Effective Date”), by and between the Oakland Redevelopment Successor Agency (“ORSA”), successor agency to the Redevelopment Agency pursuant to California Health and Safety Code Section 34173, and East Bay Asian Local Development Corporation (“Borrower”), a California nonprofit public benefit corporation Borrower (ORSA and Borrower are collectively referred to as the “Parties”).

RECITALS

A. On June 18, 1998, the Redevelopment Agency and the Partnership entered into the Loan Agreement and Note for a loan in the amount of \$1,150,000 (the “Loan”) for the development of Swans Market (the “Project”) at 521 10th Street and 901 Washington Street, Oakland (the “Properties”).

B. On December 23, 2009, the Redevelopment Agency, the Partnership, and Borrower entered into an Assignment and Assumption Agreement assigning the Partnership’s rights, title, interest and obligations under the Loan to Borrower.

C. Pursuant to California law, the Redevelopment Agency was dissolved on February 1, 2012. On July 17, 2012, the City of Oakland established ORSA, which acquired the rights, duties and obligations of the Redevelopment Agency, including the Redevelopment Agency’s interest in the Loan.

D. On October 31, 2013, ORSA subordinated the deed of trust securing the Loan to new New Markets Tax Credit financing for the Project as authorized by Oakland Oversight Board Resolution No. 2013-7 approved on March 18, 2013.

E. Borrower has requested that ORSA amend the Loan Agreement and Note to extend the term of the Loan by 22 years, from 2028 to 2050, and subordinate the Loan to new financing that is required to unwind the New Market Tax Credit financing.

F. ORSA is requiring Borrower to pay a \$50,000 extension fee in connection with this Second Amendment.

G. All capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Loan Agreement and Note.

NOW, THEREFORE, the Loan Agreement and Note are amended as follows:

1. Section 2.3 of the Loan Agreement, TERM OF LOAN, is amended to read as follows:

TERM OF LOAN. Payments of principal and interest shall be made as required by the Note. Unless due sooner under the Note, the Loan principal balance and all accrued interest shall be due and payable on the earlier of (a) thirty (30) years from the date of the Second Amendment to Loan Agreement and Note, or (b) an Event of Default by Borrower which has not been cured as provided for in this Agreement.

2. The third paragraph of Section 2 of the Note, as previously amended by the First Amendment, is hereby amended to read as follows:

Notwithstanding the preceding provision, Borrower shall pay to the order of Lender the full amount of the outstanding principal advanced under this Note and the Loan Agreement, together with all accrued but unpaid interest thereon (provided that unpaid interest shall be payable only to the extent of available proceeds) on the earliest of: (a) thirty (30) years from the date of the 2nd Amendment of this Note; (b) the date the Project is sold or refinanced (subject, however, to any consent to assignment of the Note that may be granted by Lender in writing upon syndication of the Project pursuant to the Loan Agreement); or (c) an Event of Default by Borrower as defined in the Loan Agreement which has not been cured in the manner and time provided in the Loan Agreement. Notwithstanding the above, payments shall also be due from syndication proceeds, leveraged funds, and other funds received by Borrower or an affiliate as required by Lender under the syndication provision of the Loan Agreement.

3. A \$50,000 extension fee shall be paid by Borrower to ORSA upon execution of this Second Amendment.

[Signatures on following page]

IN WITNESS WHEREOF, the undersigned Parties have executed this Second Amendment, as of the Effective Date.

BORROWER:

East Bay Asian Local Development Corporation,
a California nonprofit public benefit corporation

By: _____

Name: _____

Its: _____

ORSA:

Oakland Redevelopment Successor Agency,
successor agency to the Redevelopment Agency of the
City of Oakland under Health and Safety Code Section
34173

By: _____

Name: _____

ORSA Administrator

Approved as to form and legality:

ORSA Counsel