

AHSC IMPLEMENTATION AND MUTUAL INDEMNITY AGREEMENT

THIS AHSC IMPLEMENTATION AND MUTUAL INDEMNITY AGREEMENT (the “Agreement”) is made and entered into as of August __, 2025, between Sonoma County Transit, a division of Sonoma County Public Infrastructure (“Agency”), Jamboree Housing Corporation, a California nonprofit public benefit corporation (“JHC”), and Freebird Development Company, LLC, a California limited liability company (“Freebird”, and together with JHC, the “Developer”). Agency, JHC and Freebird shall collectively be referred to herein as the “Parties”, or individually, a “Party”.

RECITALS

A. The State of California, the Strategic Growth Council (“SGC”) and the Department of Housing and Community Development (“HCD”) issued a Notice of Funding Availability dated January 19, 2024 (the “AHSC NOFA”), under the Affordable Housing and Sustainable Communities (“AHSC”) Program established under Division 44, Part 1 of the Public Resources Code, commencing with Section 75200.

B. Developer applied for, and was awarded, AHSC funds in response to the AHSC NOFA to provide funding for (A) construction of the Saggio Hills Phase 1 affordable housing project in Healdsburg, California (the “Housing Project”); (B) the construction of certain housing related infrastructure (the “HRI Improvements”); (C) the construction of certain sustainable transportation infrastructure (the “STI Improvements”); (D) the construction of certain transit related amenities (the “TRA Improvements”); and (E) certain costs related to programs and benefits for the Housing Project residents (the “AHSC Programs”). These improvements are described in more detail in the AHSC application submitted to HCD (the “AHSC Application”) and in the AHSC Documents (as defined below).

C. In accordance with the AHSC Application, Developer obtained an award in an aggregate amount of \$21,111,191 in AHSC funds consisting of: (A) \$13,742,098 of AHSC loan Funds for a permanent loan (“AHSC Loan”) which will be disbursed to Saggio Hills Lot 14, L.P., a California limited partnership (the “Partnership”), for construction of the Housing Project; (B) \$1,524,852 of AHSC grant funds shall be used for the purpose of reimbursing the cost of the HRI Improvements; (C) \$3,988,491 of the AHSC grant funds for the purpose of reimbursing the cost of the STI Improvements; (D) \$1,250,000 of AHSC grant funds for the purpose of reimbursing the cost of the TRA Improvements; and (E) \$605,750 of AHSC grant funds for reimbursing the costs of the AHSC Programs. The AHSC grants shall be referred to collectively as the “AHSC Grants”. The AHSC Loan and the AHSC Grants are collectively referred to herein as the “AHSC Financing.”

D. The Agency is a non-applicant, but, as set forth herein, has committed to perform the following specific STI Improvements and TRA Improvements, each within the specific scope as set forth in more detail in the Agency’s letter dated March 11, 2024 included in the AHSC Application and incorporated herein (collectively, the “Transit Obligations”):

1. Funding operating expenses for an expansion of Route 67 for three years and purchase of a new ZEV 30' Bus (the STI Improvements); and

2. Installing a new electric charging station for use by the Route 67 bus and installation of 10 bus stop shelters (the TRA Improvements).

E. The Agency shall be responsible for developing and constructing the Transit Obligations, and for all costs expenses related thereto. The Developer shall be responsible either directly or indirectly through the Partnership to construct and develop the Housing Project, the HRI Improvements, certain STI Improvements, certain Project-related program costs ("PGM Work" under the AHSC Grants), and for implementing the AHSC Programs (together, the "Developer Obligations"), and for all costs and expenses related thereto. In connection with the AHSC Grants and AHSC Loan, Developer is required to enter into standard agreements, disbursement agreements, and regulatory agreements with HCD where Developer will be liable for the full and timely performance by the parties to complete the obligations set forth therein, including completion of the Housing Project, completion of the HRI, STI and TRA Improvements, and funding of the AHSC Programs, as described in the AHSC Application. The AHSC Application and all standard agreements, disbursement agreements, regulatory agreements and any other agreements required by HCD in connection with the AHSC Financing shall be collectively referred to herein as the "AHSC Documents".

F. The Agency and Developer each acknowledge and agree that the inability or failure by either party to fully and timely complete each party's respective obligations required by the AHSC Documents may affect the timing and right of the other party to receive disbursement of AHSC funds due the other party notwithstanding the other party's full and timely performance of its obligations.

NOW, THEREFORE, in consideration of the recitals, covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

AGREEMENT

1. Obligations. The Agency shall, as its sole responsibility, complete the Transit Obligations in accordance with the terms of the AHSC Documents, this Agreement, and the Agency-approved design and construction documents. The Developer shall, in its sole responsibility, complete the Developer Obligations in accordance with the terms of the AHSC Documents, this Agreement, and the approved design and construction documents. Each Party will provide the other Party with copies of all requisitions for work related to their respective work, the notice of completion, and other documents related to their respective work that another party may reasonably request.

All obligations of Developer under this Agreement shall be joint and several, and the responsibility of both JHC and Freebird.

2. Agency Indemnity. Agency is responsible for carrying out the Transit Obligations using AHSC Grant proceeds in accordance with the AHSC Documents, including,

but not limited to, any performance and disbursement deadlines contained therein. Agency shall indemnify, defend, protect, and hold harmless Developer, and its affiliates, directors, officers, partners, members, agents and employees (each, an “**Developer Indemnified Party**”) against any and all claims, actions, suits, causes of action, losses, liabilities, injuries, costs, damages, or expenses (collectively, “**Claims**”), including, without limitation, any direct, indirect or consequential loss, liability, damage, or expense, court costs and attorneys’ fees, to the extent arising out of or in connection with the Agency’s performance of or failure to perform its obligations to complete the Transit Obligations, in the manner and within the time periods, and to otherwise perform any covenants constituting Agency obligations, set forth in the AHSC Documents. However, in no event shall the Developer Indemnified Party be indemnified hereunder for any Claims to the extent resulting from such party’s negligence or willful misconduct. Agency agrees to pay all of the Developer Indemnified Party’s costs and expenses, including attorneys’ fees, which may be incurred in any effort to enforce any term of this Agreement, including, but not limited to, all such costs and expenses which may be incurred by any Developer Indemnified Party in any legal action, reference or arbitration proceeding brought by HCD or other third party.

3. Developer Indemnity. Developer is responsible for carrying out the Developer Obligations using AHSC Grant proceeds and AHSC Loan funds in accordance with the AHSC Documents, including, but not limited to, any performance and disbursement deadlines contained therein. Developer shall indemnify, defend, protect, and hold harmless the Agency and its affiliates, directors, officers, partners, members, agents and employees (each, an “**Agency Indemnified Party**”) against any and all Claims, including, without limitation, any direct, indirect or consequential loss, liability, damage, or expense, court costs and attorneys’ fees, to the extent arising out of or in connection with Developer’s performance of or failure to perform its obligations to complete the Developer Obligations, in the manner and within the time periods, and to otherwise perform any covenants constituting Developer obligations, set forth in the AHSC Documents. However, in no event shall the Agency Indemnified Party be indemnified hereunder for any Claims to the extent resulting from such party’s negligence or willful misconduct. Developer agrees to pay all of the costs and expenses of the Agency Indemnified Party, including attorneys’ fees, which may be incurred in any effort to enforce any term of this Agreement, including, but not limited to, all such costs and expenses which may be incurred by any Agency Indemnified Party in any legal action, reference or arbitration proceeding brought by HCD or other third party.

4. Schedule of Performance; Progress Reports. Developer and Agency shall comply with the schedule of performance milestone dates set forth in the AHSC Documents for the completion of their respective obligations hereunder (the “Schedule of Performance”). Promptly upon request, the Agency and Developer agree to give the other party a written status report on its progress toward completing its obligations within the milestones listed in the Schedule of Performance. If any Party anticipates not meeting the targeted performance and grant disbursement milestones as established in the AHSC Documents, that Party will promptly notify the other party in writing and will meet with the other Party to discuss the reasons why the milestone dates may not be met and what actions the delayed party intends to take to meet the milestones or otherwise rectify the work schedule in order to maintain good standing with the terms and conditions established in the AHSC Documents.

5. Delegation. Notwithstanding the obligations of each party under this Agreement, each party shall be entitled to enter into sub-agreements with each other or with other parties to provide any assistance or services needed for each party to perform its obligations under this Agreement and the AHSC Documents; provided, however, that the execution of any sub-agreements shall not release or relieve such party of its obligations under this Agreement.

6. Cost Overruns. Developer shall be responsible for paying all costs required to complete the Developer Obligations, irrespective of whether such costs exceeds the AHSC Loan and the portion of the AHSC Grant designated for the Developer Obligations. Agency shall be responsible for paying all costs required for the Transit Obligations irrespective of whether such costs exceed the portion of the AHSC Grant designated for the Transit Obligations.

7. Disbursement of AHSC Grant Funds. Developer and Agency agree that the total AHSC Grant amount for the Transit Obligations is \$3,370,000 (\$2,120,000 for the STI Improvements and \$1,250,000 for the TRA Improvements) and shall be reimbursed to Agency by Developer from the AHSC Grant Funds. The Agency shall submit to Developer all draw requests and other information or documentation for AHSC Grant funds for the costs associated with the Transit Obligations required by HCD pursuant to the AHSC Documents and Developer shall submit such requests to HCD, and upon receipt of the funds, Developer shall disburse to the Agency any such funds received from HCD. Agency shall apply any such proceeds received to pay the invoices submitted in connection with the draw request.

8. Notices. Formal notices, demands, and communications between the parties shall be sufficiently given if, and shall not be deemed given unless, dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered by express delivery service, return receipt requested, or delivered personally, to the principal office of the parties as follows:

Agency: Sonoma County Transit
355 West Robles Avenue
Santa Rosa, CA 95407

Developer: Freebird Development Company LLC
1111 Broadway Suite 300
Oakland, CA 94607-4167

Jamboree Housing Corporation
17701 Cowan Avenue, Suite 200
Irvine, CA 92614
Attn: Asset Management

9. Events of Default. The occurrence of any of the following events shall constitute an Event of Default under this Agreement:

(a) A Party fails to perform any of its obligations under this Agreement, and does not cure such failure within 30 days after written notice of such failure has been delivered to the defaulting party in accordance with Section 8 above; or

(b) A Party purports to revoke this Agreement or this Agreement becomes ineffective for any reason.

10. Termination. This Agreement shall terminate upon the earlier of: (i) completion of all obligations under the AHSC Documents; or (ii) mutual written agreement of the parties hereto.

11. Third Party Beneficiary. The Partnership shall be a third party beneficiary of this Agreement and shall be entitled to the rights and benefits hereunder and may enforce the provisions hereof as if it were a party to this Agreement.

12. Assignment. Agency hereby acknowledges and approves the assignment by Developer and the Partnership to the Housing Project's senior lender ("Construction Lender") of all of their respective right, title and interest in, to and under the Agreement (the "Collateral") as collateral security for the Partnership's obligations to Construction Lender under, and in connection with Construction Lender's loan to the Partnership. In the event Construction Lender forecloses upon the Collateral, Agency hereby agrees that Construction Lender shall have all of Developer's rights and interests, including responsibilities, under the Agreement. Construction Lender is hereby made an express third party beneficiary of this Section 12, and the parties hereto shall not amend, modify or terminate the Agreement without Construction Lender's express written consent.

13. Miscellaneous.

(a) Nothing in this Agreement shall be construed to limit any claim or right which any party may otherwise have at any time against an Indemnitor or any other person arising from any source other than this Agreement, including any claim for fraud, misrepresentation, waste, or breach of contract other than this Agreement, and any rights of contribution or indemnity under any federal or state environmental law or any other applicable law, regulation, or ordinance.

(b) If any party delays in exercising or fails to exercise any right or remedy against a Party, that alone shall not be construed as a waiver of such right or remedy. All remedies of any Party against the other Party are cumulative.

(c) This Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their respective representatives, heirs, executor, administrators, successors, and assigns. This Agreement may not be amended except by a written instrument executed by the parties hereto.

(d) This Agreement shall be deemed to have been delivered and accepted in the State of California and governed exclusively by the internal substantive laws of the State of California as the same may exist at the date hereof. The parties hereto hereby agree that any action hereon between the parties hereto and their successors in interest may be maintained in a court of competent jurisdiction located in the State of California, and consent to the jurisdiction of any such California court for the purposes connected herewith.

(e) Each party hereto intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any person other than the parties hereto.

(f) This Agreement may be executed in multiple counterpart copies, any one of which when duly executed, with all formalities hereof, shall be fully binding and effective as the original of this Agreement.

(g) This Agreement shall be effective as of the date first written above.

[Signatures on following page]

Each of the undersigned hereby executes this Agreement in the spaces provided below to evidence their respective agreement to the terms of this Agreement.

Agency:

SONOMA COUNTY TRANSIT
a division of Sonoma County Public Infrastructure

By: _____
Johannes J. Hoevertsz
Director of Sonoma County Public Infrastructure

Developer:

FREEBIRD DEVELOPMENT COMPANY, LLC,
a California limited liability company

By: _____
Robin Zimbler,
Manager

JAMBOREE HOUSING CORPORATION,
a California nonprofit public benefit corporation

By: _____
Michael Massie,
Executive Vice President
and Chief Development Officer