

**TERMINATION AND RELEASE OF SECTION 108
LOAN AGREEMENT, NOTE AND DEED OF TRUST
FOR
TRESTLE GLEN APARTMENTS**

This Termination and Release of Section 108 Loan Agreement, Note and Deed of Trust (“the Release”) is made effective as of _____, 200__, by the County of San Mateo (the “County”) and Northpoint Housing, Inc., a California public benefit corporation (“Northpoint”).

WHEREAS, the County and Northpoint entered into that certain Loan Agreement, dated February 6, 2007, Promissory Note dated June 4, 2007, and Deed of Trust dated June 4, 2007 (collectively, the “Section 108 Loan Documents”), providing for the County to loan to Northpoint Ten Million Seven Hundred Forty-Five Thousand Dollars (\$10,745,000) of HUD Section 108 funds upon receipt of such funds by the County from HUD (“Section 108 Loan”). The Section 108 Loan was to be used for the land acquisition and other costs associated with the development of the Trestle Glen Apartments located in the unincorporated areas of the County of San Mateo (“Trestle Glen Apartments”);

WHEREAS, the County has not received the Section 108 loan funds from HUD and therefore Northpoint has not drawn down any of the Section 108 Loan funds pursuant to the Section 108 Loan Documents;

WHEREAS, in order to accommodate various sources of funds necessary for the development of the Trestle Glen Apartments, BRIDGE Housing Corporation, the sponsor of Trestle Glen Apartments and the parent company of Northpoint, has requested that the County terminate the Section 108 Loan Documents with Northpoint and enter into a new loan transaction with MCB Family Housing, Inc., another affiliate of BRIDGE Housing;

WHEREAS, in order to accommodate the necessary sources of funds and to leverage the Section 108 Loan funds to the maximum extent possible, the County desires to terminate the Section 108 Loan Documents with Northpoint and enter into new loan documents with MCB Family Housing;

NOW THEREFORE, the County and Northpoint hereby acknowledge and agree:

1. That the Section 108 Loan Documents are terminated and shall have no further force or effect; and
2. That the parties hereto shall cooperate, and execute and deliver, all other documents that may be necessary or appropriate (including without limitation any reconveyances) to evidence or confirm the termination of the Section 108 Loan Documents.

(Signatures on next page)

IN WITNESS WHEREOF, the County and Northpoint hereby execute this Termination and Release effective as of the Date first written above.

COUNTY OF SAN MATEO

By: _____
President, Board of Supervisors

Date: _____

ATTEST:

By: _____
Clerk of Said Board

NORTHPOINT HOUSING, INC.
A California nonprofit public benefit corporation

Name

Title

Date _____