



April 9, 2020

City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037
Attn: Christie Thomas

22645 Grand Street
Hayward, CA 94541

510.582.1460 Phone
510.582.6523 Fax

RE: Church & Monterey Road Associates – refinancing of the senior loan

Dear Ms. Thomas,

We are hereby notifying you of our intent to refinance the senior loan with Church & Monterey Road Associates, a California limited partnership (the Partnership). The effective date of the transaction is targeted by August 31, 2020.

The Partnership was formed in April 2001 to develop, own and operate a 72-unit affordable housing complex located in Morgan Hill, California, and is currently operating under the name of Jasmine Square Apartments (the Project). The Project was placed in service in June 2005. The general partner of the Partnership is Jasmine Square LLC, a limited liability company controlled by its sole member, Eden South Bay, Inc., a California nonprofit public benefit corporation. The property is managed by Eden Housing Management, Inc., a nonprofit organization, affiliates of Eden Housing, Inc.

According to the Promissory Note, the senior matures on October 1, 2020, at which point a balloon payment of \$3,391,627 is required. Therefore, the Partnership is proactively seeking the opportunity to refinance the senior loan to accomplish several goals; which are 1) repayment to the maturity senior loan, 2) secure a lower interest rate of 3.54% rather than the current loan of 6.9%, and 3) make a \$150,000 payment to City loans to reduce existing debt to the Project.

Please let us know should you need further information.

Sincerely,

A handwritten signature in blue ink that reads "D. Williams".

Darnell Williams
Senior Director of Asset Management
Eden Housing, Inc.

