

DO NOT DESTROY THIS NOTE. WHEN THIS NOTE IS FULLY PAID, IT MUST BE SURRENDERED TO THE TRUSTEE ALONG WITH THE ORIGINAL DEED OF TRUST FOR CANCELLATION AND ISSUANCE OF A RECONVEYANCE.

PROMISSORY NOTE  
Secured by a Deed of Trust

\$1,000,000.00  
East Palo Alto, California  
June \_\_, 2025

**FOR VALUE RECEIVED**, WeHope, a California nonprofit public benefit corporation ("Borrower"), promises to pay to the County of San Mateo, a political subdivision of the State of California, ("County") the sum of One Million Dollars and Zero Cents (\$1,000,000.00) plus interest (the "Loan") in accordance with the terms of this Promissory Note ("Note").

Borrower's obligations with respect to the Loan are set forth in that certain Loan Agreement Between The County of San Mateo and WeHope, dated on or about June 24, 2025 (the "Agreement"); the Deed of Trust and Assignment of Rents dated on or about the date hereof ("Deed of Trust") to be recorded in the Official Records of the County of San Mateo and securing this Note, which together with all related documents and instruments required by the County are collectively referred to herein as the "Loan Documents."

1. **Maturity Date:** The entire principal sum of this Note, together with any other amounts that may become due and owing hereunder or under any of the other Loan Documents, shall become all due and payable upon the Maturity Date. The "Maturity Date" shall be the date which is fifteen (15) years after the Effective Date of the Agreement; provided, however, that upon any acceleration of this Note pursuant to an Event of Default, or in connection with any other acceleration right of County set forth in this Note or in any of the other Loan Documents, the Maturity Date shall become the date of such. If Borrower has failed to record the Deed of Trust by the date required under the Agreement, this Note shall immediately be fully due and payable. The Note and Deed of Trust shall be executed and delivered prior to any disbursement of funds under the Agreement.

2. **Security.** Repayment of this Note is secured by the Deed of Trust granted by Borrower for the benefit of the County and recorded on the Property described in the Deed of Trust. The County shall be entitled to the benefits of the security provided by the Deed of Trust and shall have the right to enforce the covenants and agreements therein. The covenants, conditions, and agreements contained in the Deed of Trust are made part of this instrument.

3. **Interest Rate:** The principal amount under the Note shall bear three and eighty-five hundredths percent (3.85%) simple interest first accruing from the Effective Date of the Agreement.

4. **Repayment.** Borrower shall make payments to the County in the amount of

\$7,321.94/monthly. Borrower shall remit payments to the County via check delivered to the Office of the County Executive, Attn: CEO Fiscal, 500 County Center, 5th Floor, Redwood City, CA, 94063. The first payment will be due on the first day of each July 1, and on the first of each month thereafter, until the amount of the Note, and any accrued interest, is fully repaid.

Payment will first be applied to outstanding interest and then to principal until the Note is paid in full. In the event this payment is less than accumulated interest owed plus current interest, any unpaid interest shall carry over to the following year. Interest shall not compound on this interest carry-over. The entire outstanding principal balance plus any unpaid accrued interest shall be due and payable upon Note Maturity.

All sums payable under this Note shall be paid in immediately available funds, by wire transfer if requested by County, no later than 11:30 a.m., Pacific Time on the due date, in lawful money of the United States of America which is legal tender for public and private debts at the time of payment. Checks will constitute payment only when collected. If the date on which any payment of interest or principal is due occurs on a Saturday or a Sunday or on a day on which banks in the State of California are closed, such payment shall be due and payable on the next business day on which such banks are open. All payments made on this Note shall be credited, first, to any charge, fee, cost, expense or amount (other than principal or interest on this Note) payable by Borrower under this Note or the Deed of Trust, second, to any accrued interest on the principal sum, and, third, to the reduction of the principal sum, and (during the Construction Phase) interest shall thereupon cease on the principal so credited.

5. **Prepayment:** Borrower shall have the right to prepay all or any portion of this Note at any time prior to the Maturity Date without the imposition of any prepayment fee or charge.

6. **Due on Sale, Refinance or Transfer of Title:** In the event of a sale, refinance, or transfer of the Property or any interest therein by Borrower without prior written consent of the County, the entire principal balance of this Note, including any accumulated interest, shall be immediately due and payable. Whenever the consent of the County is required herein, such consent is authorized to be delivered by the County Executive Officer or designee.

7. **Default/Acceleration of Note:** In the event Borrower breaches any of the terms and conditions of the Loan Documents after notice and an opportunity to cure as provided therein, Borrower will be in default of the terms and conditions of the Agreement and this Note, and County may demand immediate and full payment of the principal amount of the Note and any accrued interest, and/or may initiate foreclosure proceedings under the Deed of Trust.

8. **Nonrecourse:** Following recordation of the Deed of Trust, the sole recourse of County with respect to the principal of, or interest on, the Note will be to the Property described in the Deed of Trust; provided, however, that nothing contained in the foregoing limitation of liability limits or impairs the enforcement of all the rights and remedies of County against all such security for the Note, or

impairs the right of County to assert the unpaid principal amount of the Note as demand for money within the meaning and intendment of Section 431.70 of the California Code of Civil Procedure or any successor provision thereto. The foregoing limitation of liability is intended to apply only to the obligation to repay the principal and interest on the Note. Nothing contained herein is intended to relieve Borrower of its obligation to indemnify County under the Agreement, and Borrower shall be fully and personally liable for: (i) loss or damage of any kind resulting from bad faith waste, fraud, or willful misrepresentation; (ii) the failure to pay taxes, assessments, or other charges which may create liens on the Property that are payable or applicable prior to any foreclosure under the Deed of Trust (to the full extent of such taxes, assessments, or other charges); (iii) the fair market value of any personal property or fixtures removed or disposed of by Borrower other than in accordance with the Deed of Trust; (iv) willful or grossly negligent violation of applicable law; and (v) the misappropriation of any proceeds under any insurance policies or awards resulting from condemnation or the exercise of the power of eminent domain or by reason of damage, loss, or destruction to the Property.

9. **Superiority.** Should there be a conflict relating to repayment terms between the Agreement and this Note, the terms of this Note shall prevail.

10. **Waivers.** Borrower hereby waives presentment, demand, notice of dishonor, notice of default or delinquency, notice of acceleration, notice of nonpayment, notice of costs, expenses, or losses and interest thereon; and notice of interest on interest and late charges.

11. **Delay in Enforcement.** If County delays in exercising or fails to exercise any of its rights under this Note, that delay or failure does not constitute a waiver of any of County's rights, or of any breach, default or failure of condition of or under this Note. No waiver by County of any of its rights, or of any breach, default or failure of condition is effective, unless the waiver is expressly stated in writing by County.

12. **Heirs, Successors, and Assigns; Participations.** This Note inures to and binds the heirs, legal representatives, successors and assigns of Borrower and County; provided, however, Borrower may not assign this Note or any Loan funds, or assign or delegate any of its rights or obligations, without the prior written consent of County in each instance, which consent is at the sole and absolute discretion of County. County, in its sole and absolute discretion, may transfer this Note, and may sell or assign participations or other interests in all or part of the Loan, on the terms and subject to the conditions of the Loan Documents, all without notice to or the consent of Borrower.

13. **Cumulative Remedies.** All of County's remedies in connection with this Note or under applicable law are cumulative, and County's exercise of any one or more of those remedies shall not constitute an election of remedies.

14. **Governing Law.** This Note shall be governed by and construed in accordance with California law without reference to its conflict of laws provisions.

15. **Integration.** This Note and the documents described herein constitute the entire understanding of Borrower and the County with respect to the matters discussed herein and supersede all prior and contemporaneous discussions, agreements, and representations, whether oral or written.

16. **Amendments, Extensions, and Modifications.** No term of this Note may be amended, supplemented, or otherwise modified except by an instrument in writing signed by Borrower and the County.

17. **Severability.** If any term or provision of this Note is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Note or invalidate or render unenforceable such term or provision in any other jurisdiction.

*[Signature on following page]*

BORROWER, WeHOPE,  
a California nonprofit public benefit corporation

By: WeHOPE

By: Paul J. Bains 6/17/2025

Name: Paul J. Bains

Title: President/CEO