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November 21, 2006

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Marin County Community Development Agency
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San Rafael, CA 94903-4157

Ms. Stephanie Lovette
Economic Redevelopment Specialist
City of San Rafael
1313 Fifth Street
San Rafael, CA 94915

Re: Joint Representation and Potential Conflict of Interest – Memorandum of Understanding for Administration of Below Market Rate For-Sale Units

Dear Ms. Collins, Ms. Laumann and Ms. Lovette:

We are writing this letter to advise the Marin Housing Authority ("Marin Housing"), the County of Marin (the "County") and the City of San Rafael (the "City") of a potential conflict of interest by Goldfarb & Lipman LLP ("Goldfarb & Lipman") in connection with the drafting of a Memorandum of Understanding (the "MOU") for the administration of below market rate for-sale units by Marin Housing on behalf of local government entities (which include the County and the City) and to request Marin Housing's, the County's and the City's acknowledgement and consent to such potential conflict of interest and to joint representation by Goldfarb & Lipman in connection with the MOU.

The purpose of this letter is to disclose a potential conflict of interest and to obtain your consent to our joint representation of Marin Housing, the County and the City. As

Facsimile

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San Francisco

415 788-6336

Los Angeles

213 627-6336

Goldfarb & Lipman LLP

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attorneys, we are governed by specific rules relating to joint representation of clients where we have a financial relationship with more than one party in connection with the same matter. According to the Rules 3-310(A), (B), (C), and (E) of the Rules of Professional Conduct of the State Bar of California, we must disclose certain information, and obtain the written consent of Marin Housing, the County and the City in order to represent all of the clients.

Because the interests of Marin Housing, the County and the City are potentially adverse, there is a potential conflict of interest for Goldfarb & Lipman. At this point, we feel that we can competently represent Marin Housing, the County and the City on this matter because the MOU will be a cooperative endeavor. There are, however, some consequences of joint representation that Marin Housing, the County and the City should consider, and for which the advice of independent legal counsel should be sought.

First, Goldfarb & Lipman cannot maintain any secrets between Marin Housing, the County and the City in connection with the MOU. In other words, anything disclosed by Marin Housing, the County and the City to Goldfarb & Lipman that is relevant to the representation must be disclosed to the other parties. Therefore, if any party does not wish something relevant disclosed to the other party, then that party should not disclose it to us.

Second, if any actual adverse interest develops among Marin Housing, the County and the City, then we will have to determine whether we can continue our representation. If we decide that the interests are too divergent and that we can no longer provide competent legal representation to each of the respective interests, then we will have to withdraw from representing any party in connection with this transaction.

Finally, with joint representation, Marin Housing, the County and the City waive the attorney-client privilege. This means that in the event of litigation between Marin Housing, the County and the City in connection with the MOU, Goldfarb & Lipman could be compelled to testify against a party. Each of the parties would, however, maintain the attorney-client privilege against third parties who might sue them.

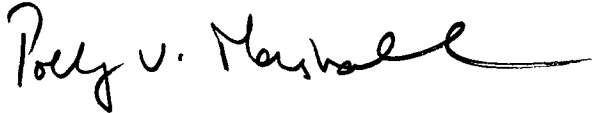
We therefore request that Marin Housing, the County and the City sign and return the enclosed consent form acknowledging that they:

1. Have been advised of Rules 3-310 (A), (B), (C), and (E), of the conflicts associated with the respective interests, and the consequences of joint representation; and
2. Nevertheless want joint representation in connection with the matters discussed above.

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If you have any questions regarding this letter, please call us before signing and returning the enclosed copy of this letter.

Sincerely,

A handwritten signature in black ink that reads "Polly V. Marshall". The signature is written in a cursive style with a long horizontal flourish extending to the right.

POLLY V. MARSHALL

CONSENT

Goldfarb & Lipman LLP has apprised Marin Housing, the County and the City of (i) the potential conflict of interest that Goldfarb & Lipman LLP may have in its joint representation of Marin Housing, the County and the City in connection with the MOU, and (ii) the consequences of such joint representation. Marin Housing, the County and the City consent to the joint representation as described in the attached letter.

Marin Housing, the County and the City understand that they each have the right to seek independent counsel before signing this consent or at any future time.

Dated: _____

MARIN HOUSING AUTHORITY, a public body,
corporate and politic

By: _____

Its: _____

Dated: _____

COUNTY OF MARIN, a political subdivision of
the State of California

By: _____

Its: _____

Dated: _____

CITY OF SAN RAFAEL, a municipal corporation

By: _____

Its: _____