

**ASSIGNMENT AND ASSUMPTION AGREEMENT
(EXCLUSIVE NEGOTIATION AGREEMENT AND
PRE-DEVELOPMENT LOAN FOR
VISTA RIO APARTMENTS)**

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "Assignment") is made and entered into on this 1st day of September, 2015 by and between Palm Communities, a California corporation formerly known as Palm Desert Development Company ("Assignor"), and Jurupa Valley Vista Rio Partners LP, a California limited partnership ("Assignee"). The Assignor and Assignee are collectively referred to herein as the "Parties."

RECITALS

A. The Redevelopment Agency of the County of Riverside, a political body, corporate and politic (the "Agency") and Assignor entered into that certain Exclusive Negotiation Agreement, dated June 7, 2011 (the "ENA") relating to, among other things, the potential acquisition of that certain real property described in the legal description attached hereto as **Exhibit A** and incorporated herein by this reference ("Property"), the loan funds in the amount of \$398,214 ("Agency Predevelopment Loan") to pay certain predevelopment costs for the project, and the potential construction and operation thereon of a 39 unit affordable housing complex for low-income families containing 38 units and 1 manager's unit, to be rented and occupied by households whose incomes do not exceed fifty percent (50%) of the area median income for the County of Riverside ("Project"), and Assignor's provision of a portion of the financial assistance necessary to construct the Project in the form of a \$618,000 loan (the "Agency Predevelopment Loan");

B. Subsequent to the ENA, Assembly Bill No. x1 26, as modified by Assembly Bill No. 1484 (the "Dissolution Act"), added Parts 1.8 and 1.85 to Division 24 of the California Community Redevelopment Law (Health and Safety Code sections 33000 et seq. (the "CRL"), The Agency was dissolved on February 1, 2012 such that the Agency is now deemed a former redevelopment agency under Health and Safety Code section 34173;

C. Pursuant to Health and Safety Code Section 34176 (a), all housing functions previously performed by the former Agency, including related rights, powers, duties, obligations, and housing assets were transferred to the Housing Authority of the County of Riverside, a public entity, corporate and politic, in its capacity as housing successor to the former Agency (the "Authority");

D. Assignor formed Assignee in order to own and operate the Project, as provided for in Article IV of the ENA;

E. Subsequent to the ENA, the Authority entered into a long-term lease with the Assignee, as evidenced by that certain Ground Lease dated June 17, 2014, and recorded in the Official Records of Riverside County (the "Official Records") on February 23, 2015 as Instrument No. 2015-0069888, as amended by that certain First Amendment to Ground Lease dated February 10, 2015, and recorded in the Official Records on February 23, 2015 as Instrument No. 2015-

0069890 (collectively, the "Lease"), and the Authority deems such Lease to be functionally equivalent to a disposition contemplated in a Disposition and Development Agreement ("DDA"), as provided for in Article XIV of the ENA;

F. Assignor hereby desires to assign its rights and obligations and delegate all of its duties under the ENA, including but not limited to Assignor's obligation to pay the Agency Predevelopment Loan amount to Authority and any and all related agreements and documents (collectively, the "Related Agreements"), and for Assignee to accept such assignment and assume all rights, interest and obligations thereunder; and

G. The Authority desires to consent to such assignment as evidenced by its signature hereto.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. Assignor hereby assigns to Assignee all of its right, title, obligations and interest in and to the Agency Predevelopment Loan and any and all Related Agreements, and Assignee hereby accepts such assignment, and assumes all of the obligations of the Assignor in connection with the Agency Predevelopment Loan and under the ENA and any and all Related Agreements, and agrees to be bound thereby in accordance with the terms thereof.
2. Assignee shall assume and perform all executory obligations of Assignor pursuant to the ENA and any and all Related Agreements, without exception; including but not limited to the obligation to repay the Agency Predevelopment Loan amount to the Authority
3. Assignor and Assignee acknowledge that such assignment and acceptance shall not relieve Assignor of its duty to comply with the obligations under the ENA and the Related Agreements, including but not limited to the obligation to repay the Agency Predevelopment Loan amount. Assignee agrees to perform all of the obligations in accordance with the ENA and the Related Agreements.
4. The principal address of Assignee for purposes of the ENA and Related Agreements is as follows:

Jurupa Valley Vista Rio Partners LP
c/o Palm Communities
15635 Alton Parkway, Suite 375
Irvine, CA 92618-9364
Attn: President

5. This Assignment, together with the agreements, covenants and warranties contained herein, is made for the sole protection and the benefits of the parties hereto, and their

successors and assigns, and no other person or persons shall have a right of action or right to rely hereon. As this Assignment contains all the terms and conditions agreed upon between the parties, no other agreement regarding the subject matter thereof, shall be deemed to exist or bind any party unless in writing and signed by the party to be charged.

6. This Assignment has been entered into, is to be performed entirely within, and shall be governed by and construed in accordance with the laws of the State of California.
7. If any term or provision of this Assignment, the deletion of which would not adversely affect the receipt of any material benefit by any party hereunder, shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Assignment shall not be affected thereby and each other term and provision of this Assignment shall be valid and enforceable to the fullest extent permitted by law. It is the intention of the parties hereto that in lieu of each clause or provision of this Assignment that is illegal, invalid or unenforceable, there be added as part of this Assignment and enforceable clause or provision similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible.
8. Time is expressly declared to be of essence in this Assignment.
9. Each party hereto covenants and agrees to perform all acts and obligations, and to prepare, execute, and deliver such written agreements, documents, and instruments as may be reasonably necessary to carry out the terms and provisions of this Assignment.
10. No provision in this Assignment is to be interpreted for or against either party because that party or its legal representatives drafted such provision.
11. This Assignment may be executed in counterparts, each of which shall be an original and all of which shall constitute one and the same instrument. The signature pages of one or more counterpart copies may be removed from such counterpart copies and all attached to the same copy of this Assignment, which, with all attached signature pages, shall be deemed to be an original Assignment.
12. The parties hereto further represent and declare that they carefully read this Assignment and know the contents thereof, and that they sign the same freely and voluntarily.
13. Each party represents that the person executing this Assignment on behalf of said party has the full authority to do so to bind the party to perform pursuant to the terms and conditions of this Assignment.

[Remainder of Page Intentionally Blank]

[Signatures on the Following Page]

IN WITNESS WHEREOF, the Parties have executed this Assignment as of the date set forth opposite their signatures below.

ASSIGNOR:

PALM COMMUNITIES, a California corporation

By: _____
Danavon L. Horn, President

Date: _____

ASSIGNEE:

JURUPA VALLEY RIO VISTA PARTNERS LP, a California limited partnership

By: PC Jurupa Valley Rio Vista Developers LLC, a California limited liability company, its general partner

By: Palm Communities, a California corporation, its sole member and manager

By: _____
Danavon L. Horn, President

Date: _____

[ASSIGNOR AND ASSIGNEE SIGNATURES MUST BE NOTARIZED]

CONSENT TO ASSIGNMENT AND ASSUMPTION AGREEMENT

In reliance upon the assumption by JURUPA VALLEY VISTA RIO PARTNERS LP, a California limited partnership, as Assignee, of all rights and obligations pursuant to the foregoing Assignment and Assumption Agreement (Exclusive Negotiation Agreement and Pre-Development Loan For Vista Rio Apartments) including, but not limited to the obligation to repay the Agency Predevelopment Loan, (the "Assignment"), the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public entity, corporate and politic, in its capacity as housing successor to the former Redevelopment Agency for the County of Riverside (the "Authority"), does hereby consent to and approve of the assignment of all right, title, obligations and interest in and to the ENA and any and all Related Agreements (as defined in the Assignment) by PALM COMMUNITIES, a California corporation ("Assignor"), to Assignee.

Approval hereof by the Authority shall not be construed to relieve or release Assignor from its duty to comply with any of its obligations under the ENA or any Related Agreements.

"AUTHORITY"

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public entity, corporate and politic, in its capacity as housing successor to the Redevelopment Agency of the County of Riverside

By: _____

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

Gregory P. Priamos

County Counsel

By: _____

Jhaila R. Brown, Deputy

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

The land referred to in this Commitment is situated in the City of Jurupa Valley, County of Riverside, State of California, and is described as follows:

PARCEL B AS SHOWN ON LOT LINE ADJUSTMENT NO. 05411, AS EVIDENCED BY DOCUMENT RECORDED APRIL 24, 2014 AS INSTRUMENT NO. 2014-0149710 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF LOTS 5, 6 AND 7, OF T. M. PARSON'S SURVEY OF A PORTION OF THE JURUPA RANCHO, AS SHOWN BY MAP ON FILE IN BOOK 1 OF MAPS, PAGE 68 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, TOGETHER WITH PORTIONS OF LOT "A", LOT "E" AND LOT 1 AND ALL OF LOT "B" AND LOT 2 OF MAYFAIR SQUARE UNIT 1, AS SHOWN BY MAP ON FILE IN BOOK 39 OF MAPS, PAGES 50 AND 51, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, SAID PORTIONS BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST NORTHERLY CORNER OF LOT "D" (ALLEY, 20.00 FEET IN THE WIDTH) OF SAID MAYFAIR SQUARE UNIT 1, SAID CORNER BEING ON THE SOUTHEASTERLY LINE OF SAID LOT 7 OF T. M. PARSON'S SURVEY; THENCE NORTH 33° 53' 22" EAST ALONG SAID SOUTHEASTERLY LINE, A DISTANCE OF 177.36 FEET TO THE MOST NORTHERLY CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE BY GRANT DEED RECORDED MAY 15, 2007 AS DOCUMENT NO. 2007-0322534, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; THENCE SOUTH 56° 27' 20" EAST ALONG THE NORTHEASTERLY LINE OF SAID PARCEL SO CONVEYED, A DISTANCE OF 50.85 FEET MORE OR LESS TO A POINT 308.00 FEET DISTANT FROM THE NORTHEASTERLY CORNER OF SAID PARCEL SO CONVEYED, SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID NORTHEASTERLY LINE NORTH 33° 26' 24" EAST, A DISTANCE OF 142.02 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE WEST, HAVING A RADIUS OF 300.00 FEET; THENCE NORTHEASTERLY AND NORTHERLY ALONG SAID CURVE, TO THE LEFT, THROUGH A CENTRAL ANGLE OF 32° 44' 43", AN ARC DISTANCE OF 171.45 FEET; THENCE SOUTH 89° 21' 45" EAST, A DISTANCE OF 37.00 FEET; THENCE SOUTH 58° 54' 06" EAST, A DISTANCE OF 450.49 FEET TO THE BEGINNING OF A NON- TANGENT CURVE, CONCAVE TO THE SOUTH, HAVING A RADIUS OF 52.00 FEET, THE RADIAL LINE TO SAID POINT BEARS NORTH 20° 52' 30" WEST; THENCE EASTERLY ALONG SAID CURVE, TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 27° 11' 09", AN ARC DISTANCE OF 24.67 FEET MORE OR LESS TO A POINT ON THE NORTHWESTERLY RIGHT OF WAY LINE BRIGGS STREET (LOT "E", 36.00 FEET IN HALF WIDTH) OF SAID MAYFAIR SQUARE UNIT 1; THENCE NORTH 33° 46' 10" EAST ALONG SAID WESTERLY RIGHT OF WAY LINE, A DISTANCE OF 5.61 FEET TO THE NORTHWESTERLY CORNER OF SAID LOT "E"; THENCE SOUTH 56° 27' 10" EAST ALONG THE NORTHEASTERLY LINE OF SAID LOT "E", A DISTANCE OF 36.00 FEET TO A POINT OF INTERSECTION WITH THE CENTERLINE OF SAID BRIGGS STREET; THENCE SOUTH 33° 46' 10" WEST ALONG SAID CENTERLINE, A DISTANCE OF 373.03 FEET TO A POINT OF INTERSECTION WITH THE SOUTHEASTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF SAID LOT 2 OF MAYFAIR SQUARE UNIT 1; THENCE NORTH 56° 29' 50" WEST ALONG SAID SOUTHEASTERLY PROLONGATION AND ALONG THE SOUTHWESTERLY LINE OF SAID LOT 2, A DISTANCE OF 178.00 FEET TO THE MOST WESTERLY CORNER OF SAID LOT 2, SAID CORNER BEING ON THE SOUTHEASTERLY LINE OF SAID PARCEL SO CONVEYED TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE; THENCE NORTH 33° 46' 10" EAST ALONG THE NORTHWESTERLY LINE OF SAID LOT 2 AND ALONG SAID SOUTHEASTERLY LINE

OF SAID PARCEL SO CONVEYED, A DISTANCE OF 8.03 FEET TO THE NORTHEASTERLY CORNER OF PARCEL SO CONVEYED; THENCE NORTH 56° 27' 20" WEST ALONG THE NORTHEASTERLY LINE OF SAID PARCEL SO, CONVEYED, A DISTANCE OF 308.00 FEET TO THE TRUE POINT OF BEGINNING.

APN: 181-041-002-1, 181-041-004-3 AND 181-041-008-7

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Name: _____
Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Name: _____
Notary Public



Notice of Determination

To:
 Office of Planning and Research
For U.S Mail: P.O. Box 3044
 Sacramento, CA 95812-3044

Street Address:
 1400 Tenth St.
 Sacramento, CA 95814

From:
 Public Agency: Housing Authority of the County of Riverside
 Address: 5555 Arlington Avenue
 Riverside, CA 92504
 Contact: Stephanie Adams
 Phone: (951) 343-5455

County Clerk
 County of: Riverside
 2724 Gateway Drive
 P.O. Box 751
 Address: Riverside, CA 92502-0751

Lead Agency (if different from above): SAA
 Address: _____
 Contact: _____
 Phone: _____

SUBJECT: Filing of Notice of Determination in Compliance with Section 21108 or 21152 of the public Resources Code.

State Clearinghouse Number (if submitted to State Clearinghouse): _____

Project Title: Affordable Housing Loan Agreement for the Use of Low and Moderate Income Housing Asset Funds associated with the Vista Rio Multi-Family Housing Project

Project Location (include county): County of Riverside-Assessor Parcel Number 181-041-015-4

Project Description: The Affordable Housing Loan Agreement for the Low Moderate Income Housing Asset Funds ("Loan Agreement") is between the Housing Authority of the County of Riverside and Jurupa Valley Vista Rio Partners, a California Limited Partnership ("Borrower") and involves APN 181-041-015-4, located in the City of Jurupa Valley, County of Riverside, which is the proposed location for Vista Rio Apartments. The project is for the construction, operation and maintenance of Vista Rio Apartments that includes a 39 unit affordable multi-family housing complex, community building, pool and tot lot.

The potential environmental effects of the housing complex, including the project, were fully studied in IS/MND EA1206001902, which was prepared by the County of Riverside, Economic Development Agency. On May 24, 2011, the County of Riverside Board of Supervisors adopted IS/MND EA1206001902.

Pursuant to CEQA Guidelines section 15096(f) the HACR, as a Responsible Agency, complies with CEQA by considering the environmental effects of the project as shown in IS/MND EA1206001902. The County has received and considered IS/MND EA1206001902. The project will not result in any new significant environmental effects not identified in IS/MND EA1206001902, nor will it substantially increase the severity of the environmental effects identified in IS/MND EA1206001902. In addition, no considerably different mitigation measures have been identified and no mitigation measures found infeasible have become feasible.

Project Sponsor: Jurupa Valley Vista Rio Partners, a California Limited Partnership

This is to advise that the County of Riverside Board of Commissioners approved the above project on

Lead agency or Responsible Agency

November 17, 2015 and has made the following determinations regarding the above described project:
(tentative date)

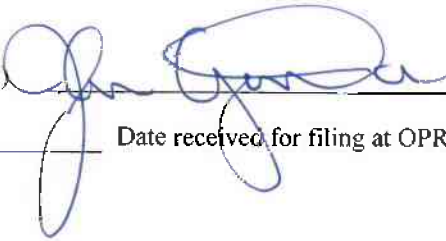
1. The County of Riverside considered the Environmental Initial Study and Mitigated Negative Declaration (EA 1206001902) as prepared and adopted by the County of Riverside, Economic Development Agency.
2. The project will not have a significant effect on the environment.

The Mitigated Negative Declaration is available to the General Public at:

Housing Authority of the County of Riverside
5555 Arlington Avenue
Riverside, CA 92504

John Aguilar, Deputy Director

Signature: (Public Agency)



Title:

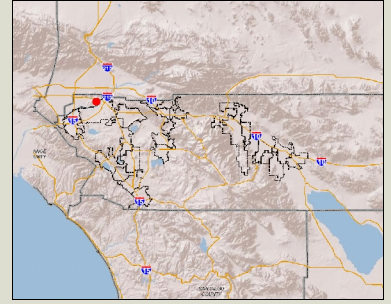
Housing Authority of the County
of Riverside

Date:

11-2-15

Date received for filing at OPR:

Vista Rio Apartments

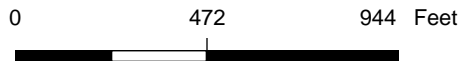


Legend

- Display Parcels
- City Boundaries
- Cities
- roadsanno
- highways
- HWY
- INTERCHANGE
- INTERSTATE
- OFFRAMP
- ONRAMP
- USHWY
- counties
- cities
- hydrography
- waterbodies
- Lakes
- Rivers

IMPORTANT Maps and data are to be used for reference purposes only. Map features are approximate, and are not necessarily accurate to surveying or engineering standards. The County of Riverside makes no warranty or guarantee as to the content (the source is often third party), accuracy, timeliness, or completeness of any of the data provided, and assumes no legal responsibility for the information contained on this map. Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user.

Notes



REPORT PRINTED ON... 9/4/2015 10:50:57 AM

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