

ATTACHMENT 4

[Behind this page]

1 Order No.  
Escrow No.  
2 Loan No,

3 RECORDING REQUESTED BY AND  
4 WHEN RECORDED MAIL TO:  
5 Redevelopment Agency  
6 for the County of Riverside  
7 5555 Arlington Avenue  
8 Riverside, CA 92504  
9 Attn. Laura Ballesteros  
10 NO FEE FOR RECORDING PURSUANT  
11 TO GOVERNMENT CODE SECTION 6103

SPACE ABOVE THIS LINE FOR RECORDERS USE

9 **LOAN AGREEMENT**  
10 **FOR THE REHABILITATION OF**  
11 **THE RIPLEY FARM WORKER HOUSING CENTER**

12 This Agreement is made and entered into this 5th day of June, 2007  
13 by and between the REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, a  
14 public body, corporate and politic (hereinafter referred to as "AGENCY") and the HOUSING  
15 AUTHORITY OF THE COUNTY OF RIVERSIDE, a public agency, organized and existing  
16 under the laws of the State of California (hereinafter referred to as "HOUSING  
17 AUTHORITY"), for the rehabilitation of the "Ripley Farm Worker Center" (hereinafter  
18 referred to as the "Project").

19 **WITNESSETH:**

20 WHEREAS, AGENCY is a redevelopment agency duly created, established and  
21 authorized to transact business and exercise its powers, all under and pursuant to the provisions  
22 of the California Community Redevelopment Law ("CRL"), which is Part 1 of Division 24 of  
23 the California Health and Safety Code (commencing with Section 33000 et seq.); and

24 WHEREAS, AGENCY, pursuant to Section 33334.2 of the California Health  
25 and Safety Code, wishes to utilize its Low- and Moderate-Income Housing Set-Aside Funds to  
26 improve and increase the supply of affordable housing in the unincorporated County of  
27 Riverside (hereinafter referred to as "County"); and

28 WHEREAS, the AGENCY and the HOUSING AUTHORITY entered into a

1 Rehabilitation of Real Property Agreement (the "Rehabilitation Agreement") dated November  
2 8, 2005; and

3 WHEREAS, pursuant to the Rehabilitation Agreement, HOUSING  
4 AUTHORITY proposed to renovate the one hundred (100) -unit Ripley Farm Worker Housing  
5 Center (the "Project") for rental housing to low-income households and farm workers, located  
6 at 24-501 School Road, Ripley, CA 92272 as more particularly described in the attached  
7 Exhibit A (the "Project Site"); and

8 WHEREAS, the Project Site is located outside the Redevelopment Project Areas;  
9 and

10 WHEREAS, the AGENCY adopted Resolution RDA 2005-35 on December  
11 2005 with a finding that the use of Low- and Moderate-Income Set Aside Funds outside the  
12 Redevelopment Project Area is of benefit to the Project Area; and

13 WHEREAS, the Riverside County Board of Supervisors adopted Resolution  
14 2005-374 on December 20, 2005, with a similar finding; and

15 WHEREAS, the Project Site is in need of additional housing that is affordable to  
16 low and very low-income families; and

17 WHEREAS, the development of affordable housing is in the vital and best  
18 interests of the AGENCY and the health, safety and welfare of the citizens of the County of  
19 Riverside and will alleviate a blighting condition on the Project Site as set forth in Section  
20 33031 of the California Health and Safety Code; and

21 WHEREAS, the Project Area is in need of additional housing that is affordable  
22 to low-income households; and

23 WHEREAS, the AGENCY endeavors to preserve, protect, improve and increase  
24 the affordable housing stock and eliminate blight in the Project Area; and

25 WHEREAS, the Project will alleviate blighting condition on the Project Site as  
26 set forth in Section 33031 of the California Health and Safety Code; and

27 WHEREAS, under the terms and conditions of the Rehabilitation Agreement, the  
28 AGENCY has provided a grant of Redevelopment Housing Set-Aside Fund to the HOUSING

1 AUTHORITY in the amount of one million dollars (\$1,000,000) (the "RDA Grant") for  
2 rehabilitation and conversion of the facility to a seventy-six (76) -unit complex; and

3 WHEREAS, the HOUSING AUTHORITY has experienced a substantial  
4 increase in construction cost and operating expense; and

5 WHEREAS, the HOUSING AUTHORITY desires to borrow Seven Million Five  
6 Hundred Thousand dollars (\$7,500,000) (the "RDA Loan") from the AGENCY and the  
7 AGENCY is willing to grant such request; and

8 WHEREAS, concurrently with this Loan Agreement, a promissory note will be  
9 executed by HOUSING AUTHORITY evidencing this loan and a deed of trust will be  
10 recorded in favor of the AGENCY.

11 NOW, THEREFORE, in consideration of the foregoing, the AGENCY and  
12 HOUSING AUTHORITY mutually agree as follows:

13 1. PURPOSE. The AGENCY has agreed to lend Seven Million Five  
14 Hundred Thousand dollars (\$7,500,000) of AGENCY Housing Set-Aside Funds to the  
15 HOUSING AUTHORITY upon the terms and conditions set forth herein (the "AGENCY  
16 Loan"). HOUSING AUTHORITY promises and agrees to undertake and assist with the  
17 AGENCY activities by utilizing such Redevelopment Housing Set-Aside funds, as specifically  
18 identified in Exhibit "B", which is attached hereto and by this reference incorporated herein,  
19 for the Project.

20 2. HOUSING AUTHORITY OBLIGATIONS. HOUSING AUTHORITY  
21 hereby agrees to undertake and complete the following activities, subject to its receipt of the  
22 AGENCY funds:

23 a. Compliance. Project shall remain in compliance with all  
24 applicable Federal, State and local codes, laws, regulations and  
25 ordinances for the duration of the Agreement.

26 b. Improvements. HOUSING AUTHORITY shall ensure all  
27 improvements are completed as set forth in Exhibit "C".

28 3. AGENCY's OBLIGATIONS. The AGENCY hereby agrees to undertake

1 and complete the following activities:

- 2 a. Provide the AGENCY funds in the amount identified in Section 1  
3 to HOUSING AUTHORITY for rehabilitation of the Project.

4 4. AGENCY LOAN. The HOUSING AUTHORITY shall borrow the funds  
5 from the AGENCY for financing of the Project under the following terms:

- 6 a. Term. The term of the AGENCY Loan shall be fully deferred for  
7 fifty-five (55) years and the loan shall be forgiven after fifty-five  
8 (55) years.
- 9 b. Principal. The principal of the AGENCY Loan shall be the  
10 amount identified in Section 1 and evidenced by a promissory  
11 note, as specifically identified in Exhibit "E", which is attached  
12 hereto and by this reference incorporated herein, executed by the  
13 HOUSING AUTHORITY in favor of the AGENCY in a form  
14 satisfactory to the AGENCY, hereinafter referred to as "Note".
- 15 c. Interest. The interest rate shall be zero percent (0.00%) simple  
16 interest per annum.
- 17 d. Repayment. Payments shall be fully deferred throughout the term  
18 of the Loan. All outstanding principal and accrued interest shall  
19 be shall be forgiven after fifty-five (55) years.
- 20 e. Security. The AGENCY Loan shall be secured by a deed of trust  
21 recorded against the Project (the "AGENCY Deed of Trust"). The  
22 AGENCY Deed of Trust to be recorded is shown in Exhibit "D"  
23 which is attached and incorporated herein. It is a requirement of  
24 the AGENCY that the AGENCY Loan, the Deed of Trust, the  
25 Promissory Note, and any other document evidencing the  
26 financing for the Project be senior to all present loans recorded  
27 against the Project. AGENCY acknowledges that HOUSING  
28 AUTHORITY is seeking additional grants or loans from the State

1 of California Department of Housing and Community  
2 Development (HCD) and/or from other sources to lower the  
3 outstanding principal of the AGENCY Loan. Upon HOUSING  
4 AUTHORITY's receipt of such funding, AGENCY will consider  
5 reducing the outstanding principal of the loan identified in Section  
6 1 and converting the loan to a grant.

7 f. Prepayment. Prepayment of principal or interest may occur at any  
8 time without penalty.

9 5. TERM OF AGREEMENT. This Agreement shall become effective upon  
10 the effective date and shall continue in full force and effect for a period of fifty-five (55) years  
11 unless an amendment or extension is issued and signed by both AGENCY and HOUSING  
12 AUTHORITY.

13 6. COMPLETION SCHEDULE. HOUSING AUTHORITY shall proceed  
14 consistent with the completion schedule set forth in Exhibit "C".

15 7. EXTENSION OF TIME. AGENCY may grant an extension to the  
16 completion schedule for the purpose of completing HOUSING AUTHORITY's activities  
17 which cannot be completed as outlined in Exhibit "C". HOUSING AUTHORITY shall request  
18 said extension in writing, stating the reasons therefore, and may be granted only by receiving  
19 written approval from AGENCY, which approval shall not be unreasonably withheld. Every  
20 term, condition, covenant, and requirement of this Agreement shall continue in full force and  
21 effect during the period of any such extension.

22 8. NO CONFLICT WITH OTHER DOCUMENTS. The HOUSING  
23 AUTHORITY warrants that it has not, and shall not, execute any other agreement with  
24 provisions contradictory to the provisions hereof, and that, in any event, the requirements of  
25 this Agreement shall be paramount and controlling as to the rights and obligations herein set  
26 forth and supersede any other requirements in conflict herewith.

27 9. INSURANCE. HOUSING AUTHORITY shall procure and maintain  
28 during the entire period while the AGENCY Loan to the HOUSING AUTHORITY is



1 outstanding and HOUSING AUTHORITY's general contractor during the course of  
2 construction at their sole expense the following insurance coverage as a minimum:

3 a. Worker's Compensation Insurance. As prescribed by the Laws of  
4 the State of California, HOUSING AUTHORITY and its  
5 contractors shall require any lessee or assignee to procure and  
6 maintain Worker's Compensation Insurance as required by law  
7 for the employees to be engaged on the Project and, in case of any  
8 work that is contracted out, shall require that the contractor(s) and  
9 subcontractor(s) similarly provide Worker's Compensation  
10 Insurance for all of their respective employees engaged to work  
11 on the Project.

12 b. Comprehensive Broad Form General Liability Insurance.  
13 HOUSING AUTHORITY and its contractors shall require any  
14 lessee, assignee, contractors or subcontractors to procure and  
15 maintain comprehensive broad form general liability insurance  
16 coverage including but not limited to damages for premises  
17 liability, contractual liability, products/completed operations,  
18 personal and advertising injury (broad form) protecting AGENCY  
19 from claims for damages for personal injury, including accidental  
20 and wrongful deaths, as well as from claims for property damage,  
21 which may arise from or out of HOUSING AUTHORITY's  
22 operations, or the performance of its obligations hereunder,  
23 whether such operations, use or performance be by HOUSING  
24 AUTHORITY, by any subcontractor, vendor, or any one  
25 employed directly or indirectly by either of them or volunteers  
26 serving either of them. Such insurance shall name Redevelopment  
27 Agency for the County of Riverside as additional insured and the  
28 obligations hereunder with limits of not less than \$1,000,000 per

1 occurrence.

2 c. Automobile Liability Insurance. HOUSING AUTHORITY and its  
3 contractors shall procure and maintain automobile liability  
4 coverage from an admitted insurance carrier, for any and all  
5 vehicles owned, operated and/or maintained by HOUSING  
6 AUTHORITY, that shall protect HOUSING AUTHORITY from  
7 claims for damages for personal injury, including, without  
8 limitation, accidental and wrongful death, as well as from claims  
9 for property damage, which may arise from HOUSING  
10 AUTHORITY's use of the property or the performance of its  
11 obligations hereunder, during the construction of the Project,  
12 whether such use or conformance by HOUSING AUTHORITY,  
13 by any subcontractor, or by anyone employed directly or  
14 indirectly by either of them. Such insurance shall provide for  
15 limits of not less than \$1,000,000 per occurrence.

16 d. Certificate of Insurance. HOUSING AUTHORITY shall furnish  
17 AGENCY with certificates of insurance showing that such  
18 coverage is in full force and effect, and that AGENCY is named  
19 as an additional insured. Said certificates shall further contain the  
20 covenant of the insurance carrier that 30 days' written notice shall  
21 be given to AGENCY prior to modification, cancellation,  
22 expiration, or any reduction in coverage of such insurance. In the  
23 event of any such modification, cancellation, expiration or  
24 reduction in coverage and on the effective date thereof, this  
25 Agreement shall terminate forthwith, unless the AGENCY  
26 receives prior to such effective date another properly executed  
27 original Certificate of Insurance and original copies of  
28 endorsements or certified original policies including all



1           endorsements and attachments thereto evidencing coverage set  
2           forth herein and the insurance required herein is in full force and  
3           effect.

- 4           e. All certificates, documents, and other written materials  
5           establishing compliance with the above enumerated conditions  
6           precedent are to be filed with AGENCY at the expense of  
7           HOUSING AUTHORITY. It is understood and agreed to by the  
8           parties hereto, and the insurance company(s), Certificate of  
9           Insurance and policies shall so covenant and shall be construed as  
10          primary and AGENCY's insurance and/or deductibles and/or self-  
11          insured retention or self-insured programs shall not be construed  
12          as contributory. The AGENCY reserves the right to adjust the  
13          monetary limits of insurance coverage during the term of this  
14          Agreement, or any extension thereof if in AGENCY Risk  
15          Manager's reasonable judgment, the amount or type of insurance  
16          typically carried by the HOUSING AUTHORITY or its  
17          contractors is inadequate.

18           10. TERMS OF AFFORDABILITY. The period of affordability for the  
19 Project shall be fifty-five (55) years from the issuance of the first Certificate of Occupancy for  
20 the Project.

21           11. COMPLIANCE WITH LAWS AND REGULATIONS. By executing this  
22 Agreement, the HOUSING AUTHORITY hereby certifies that it will adhere to and comply  
23 with all federal, state and local laws, regulations and ordinances. In particular, the HOUSING  
24 AUTHORITY shall comply with the following as they may be applicable:

- 25           a. Obligation to Refrain from Discrimination. HOUSING  
26 AUTHORITY covenants and agrees there shall be no  
27 discrimination against or segregation of any person, or group of  
28 persons, on account of sex, marital status, race, religion, color,

1 creed, national origin or ancestry in the sale, lease, sublease,  
2 transfer, use, occupancy, tenure or enjoyment of the Site nor shall  
3 AGENCY or any person claiming under or through HOUSING  
4 AUTHORITY establish or permit any such practice or practices  
5 of discrimination or segregation with reference to the selection,  
6 location, number, use or occupancy of tenants, lessees,  
7 subtenants, sublessees, or vendees of the Site.

8 b. Environmental Review. HOUSING AUTHORITY must comply  
9 with the California Environmental Quality Act (CEQA) and its  
10 implementation regulations.

11 c. Prevailing Wages and Compliance with State Laws. HOUSING  
12 AUTHORITY shall comply with any applicable labor regulations  
13 and all other State Laws in connection with the construction of the  
14 improvements which comprise the Project, including if  
15 applicable, requirements relating to prevailing wages. HOUSING  
16 AUTHORITY agrees to identify, defend, and hold AGENCY  
17 harmless from and against any and all liability arising out of and  
18 related to HOUSING AUTHORITY's failure to comply with any  
19 and all applicable prevailing wage requirements.

20 12. ASSISTED UNIT REQUIREMENTS. HOUSING AUTHORITY agrees  
21 to reserve one hundred percent (100%) of the total units for low-income households. Such units  
22 ("Assisted Units") shall be limited to households whose incomes do not exceed eighty percent  
23 (80%) area median income for the County.

24 13. RENT LIMITATIONS. HOUSING AUTHORITY agrees that all one  
25 hundred percent (100%) of the total Assisted Units shall remain affordable in accordance with  
26 the rent limitations set forth in California Health and Safety Code Section 50053. HOUSING  
27 AUTHORITY shall ensure that all units are rented to qualified applicants at the rent levels not  
28 exceeding the affordable housing cost as defined in Section 50053.

1           14.    SALE OR TRANSFER OF THE PROJECT. Except in connection with  
2 residential leases entered into in the ordinary course of HOUSING AUTHORITY's business  
3 on forms approved by the AGENCY pursuant to this Agreement, HOUSING AUTHORITY  
4 hereby covenants and agrees not to sell, transfer or otherwise dispose of the Project or any  
5 portion thereof, without obtaining the prior written consent of the AGENCY, which consent  
6 shall be conditioned solely upon receipt by the AGENCY of reasonable evidence satisfactory  
7 to the AGENCY that transferee has assumed in writing and in full, and is reasonably capable of  
8 performing and complying with the HOUSING AUTHORITY's duties and obligations under  
9 this Agreement and where upon HOUSING AUTHORITY shall be released of all obligations  
10 hereunder which accrue from and after the date of such sale.

11           15.    INDEPENDENT CONTRACTOR. HOUSING AUTHORITY and its  
12 agents, servants and employees shall act at all times in an independent capacity during the term  
13 of this Agreement, and shall not act as, shall not be, nor shall they in any manner be construed  
14 to be agents, officers, or employees of AGENCY.

15           16.    PROJECT MONITORING AND EVALUATION. HOUSING  
16 AUTHORITY shall submit a tenant checklist form to the AGENCY, upon completion of the  
17 construction, summarizing the number and percentage of very-low and low income households  
18 who are tenants. The HOUSING AUTHORITY shall maintain financial, programmatic,  
19 statistical and other supporting records of its operations and financial activities, including the  
20 submission of the form on a semi-annual basis on or before April 5th and October 5th. Except  
21 as otherwise provided for in this Agreement, the HOUSING AUTHORITY shall maintain and  
22 submit records to the AGENCY within ten business days of the AGENCY's request. Records  
23 must clearly document the HOUSING AUTHORITY's performance under each requirement of  
24 the AGENCY Documents. A list of document submissions and timeline are shown in Exhibit  
25 "C" and such list may be amended from time to time, by written agreement of the parties  
26 hereto.

27           17.    ACCESS TO PROJECT SITE. The AGENCY shall have the right to visit  
28 the Project site, at all reasonable times, to review the operation of the PROJECT in accordance

1 with this Agreement.

2 18. EVENTS OF DEFAULT. The occurrence of any of the following events  
3 shall constitute an "Event of Default" under this Agreement:

- 4 a. Monetary Default. The HOUSING AUTHORITY or any agent of  
5 the HOUSING AUTHORITY's use of AGENCY funds for costs  
6 disallowed under the CRL or for uses inconsistent with terms and  
7 restrictions set forth in this Agreement;
- 8 b. Non-Monetary Default - Operation. Discrimination by the  
9 HOUSING AUTHORITY or the HOUSING AUTHORITY's  
10 agent on the basis of characteristics prohibited by this Agreement  
11 or applicable law;
- 12 c. General Performance of Affordability Requirements. Any breach  
13 by the HOUSING AUTHORITY or HOUSING AUTHORITY's  
14 agents of any housing affordability requirements imposed in the  
15 Covenant Agreement;
- 16 d. Damage to Project. In the event that the PROJECT is materially  
17 damaged or destroyed by fire or other casualty, and the  
18 HOUSING AUTHORITY receives an award or insurance  
19 proceeds for the repair or reconstruction of the PROJECT, and the  
20 HOUSING AUTHORITY does not use such award or proceeds to  
21 repair or reconstruct the PROJECT;
- 22 e. Bankruptcy, Dissolution and Insolvency. The HOUSING  
23 AUTHORITY's or any general partner of the HOUSING  
24 AUTHORITY's (1) filing for bankruptcy, dissolution, or  
25 reorganization, or failure to obtain a full dismissal of any such  
26 involuntary filing brought by another party before the earlier of  
27 final relief or thirty (30) days after such filing; (2) making a  
28 general assignment for the benefit of creditors; (3) applying for

1 the appointment of a receiver, trustee, custodian, or liquidator, or  
2 failure to obtain a full dismissal of any such involuntary  
3 application brought by another party before the earlier of final  
4 relief or sixty (60) days after such filing; (4) insolvency; or (5)  
5 failure, inability or admission in writing of its inability to pay its  
6 debts as they become due.

7 19. NOTICE OF DEFAULT AND OPPORTUNITY TO CURE. For  
8 monetary and non-monetary Events of Default included in subsections (a) – (e) above, the  
9 AGENCY shall give written notice to HOUSING AUTHORITY of any Event of Default by  
10 specifying: (a) the nature of the Event of Default or the deficiency giving rise to the default, (b)  
11 the action required to cure the deficiency, if an action to cure is possible, and (c) a date, which  
12 shall not be more than sixty (60) calendar days from the mailing of the notice, by which such  
13 action to cure must be taken. The AGENCY agrees that the HOUSING AUTHORITY shall  
14 have the right to cure any and all defaults under this Agreement.

15 20. AGENCY REMEDIES. Upon the happening of an Event of Default and a  
16 failure by HOUSING AUTHORITY to cure said default within the time specified in the notice  
17 of default (if an action to cure is specified in said notice), the AGENCY's obligation to  
18 disburse AGENCY funds shall terminate, and the AGENCY may also in addition to other  
19 rights and remedies permitted by this Agreement or applicable law, proceed with any or all of  
20 the following remedies in any order or combination the AGENCY may choose in its sole  
21 discretion:

- 22 a. Terminate this Agreement, in which event the entire amount as  
23 well as any other monies advanced to the HOUSING  
24 AUTHORITY by the AGENCY under this Agreement including  
25 administrative costs, shall become immediately due and payable;
- 26 b. Accelerate the AGENCY Loan, and demand immediate full  
27 payment of the principal payment outstanding and all accrued  
28 interest under the Note, as well as any other monies advanced to



1 the HOUSING AUTHORITY by the AGENCY under this  
2 Agreement;

- 3 c. Bring an action in equitable relief seeking the specific  
4 performance by the HOUSING AUTHORITY of the terms and  
5 conditions of this Agreement;  
6 d. Pursue any other remedy allowed at law or in equity.

7 21. HOUSING AUTHORITY'S REMEDIES. Upon the fault or failure of the  
8 AGENCY to meet any of its obligations under this Agreement, the HOUSING AUTHORITY  
9 may:

- 10 a. Demand payment from the AGENCY of any sums due HOUSING  
11 AUTHORITY;  
12 b. Bring an action in equitable relief seeking the specific performance  
13 by the AGENCY of the terms and conditions of this Agreement;  
14 c. Pursue any other remedy allowed at law or in equity.

15 22. HOLD HARMLESS AND INDEMNIFICATION. HOUSING  
16 AUTHORITY shall indemnify and hold harmless the AGENCY, its elected officials, its  
17 members and its respective agents, servants, and employees of and from any and all liabilities,  
18 claims, debts, damages, demands, suits, actions, and causes of action whatsoever kind, nature  
19 of sort including, but not by way of limitation, wrongful death, expense of the defense of said  
20 parties, and the payment of reasonable attorneys' fees, arising out of or in connection with the  
21 performance by HOUSING AUTHORITY under this Agreement; except for, however, any  
22 claims or damages arising from the negligence, fraud or misrepresentation of the AGENCY.

23 23. RESTRICTIONS TO RUN WITH THE LAND. The AGENCY and  
24 HOUSING AUTHORITY hereby declare their express intent that the restrictions set forth in  
25 this Agreement shall run with the land, and shall bind all successors in title to the Assisted  
26 Unit, pursuant to Health and Safety Code Section 33334.3. Each and every contract, deed or  
27 other instrument hereafter executed covering and conveying the Assisted Unit or any portion  
28 thereof shall be held conclusively to have been executed, delivered and accepted subject to



1 such restrictions, regardless whether such restrictions are set forth in such contract, deed or  
2 other instrument.

3 24. ENTIRE AGREEMENT. It is expressly agreed that this Agreement  
4 embodies the entire agreement of the parties in relation to the subject matter hereof, and that no  
5 other agreement or understanding, verbal or otherwise, relative to this subject matter, exists  
6 between the parties at the time of execution.

7 25. SEVERABILITY. Each paragraph and provision of this Agreement is  
8 severable from each other provision, and if any provision or part thereof is declared invalid, the  
9 remaining provisions shall remain in full force and effect.

10 26. MINISTERIAL ACTS. The Executive Director of the AGENCY or  
11 designee(s) are authorized to take such ministerial actions as may be necessary or appropriate  
12 to implement the terms, provisions, and conditions of this Agreement as it may be amended  
13 from time to time by AGENCY.

14 27. MODIFICATION OF AGREEMENT. The AGENCY or HOUSING  
15 AUTHORITY may consider it in its best interest to change, modify or extend a term or  
16 condition of this Agreement. Any such change, extension or modification, which is mutually  
17 agreed upon by the AGENCY and HOUSING AUTHORITY shall be incorporated in written  
18 amendments to this Agreement. Such amendments shall not invalidate this Agreement, nor  
19 relieve or release the AGENCY or HOUSING AUTHORITY from any obligations under this  
20 Agreement, except for those parts thereby amended. No amendment to this Agreement shall be  
21 effective and binding upon the parties, unless it expressly makes reference to this Agreement,  
22 is in writing and is signed and acknowledged by duly authorized representatives of all parties.

23 28. ASSIGNMENT. The HOUSING AUTHORITY will not make any sale,  
24 assignment, conveyance or lease of any trust or power, or transfer in any other form with  
25 respect to this Agreement or the Project, without prior written approval of the AGENCY. Any  
26 proposed transferee shall have the qualifications and financial responsibility, as reasonably  
27 determined by the AGENCY necessary and adequate to fulfill the obligations undertaken in  
28 this Agreement by the HOUSING AUTHORITY. Any proposed transferee shall, by instrument

1 in writing, for itself and its successor and assigns, and expressly for the benefit of the  
2 AGENCY, assume all of the obligations of the HOUSING AUTHORITY under this  
3 Agreement and agree to be subject to all the conditions and restrictions to which the  
4 HOUSING AUTHORITY is subject. Thereafter, HOUSING AUTHORITY shall have no  
5 further liability for obligations arising hereunder from and after the date of such assumption.

6 29. INTERPRETATION AND GOVERNING LAW. This Agreement and  
7 any dispute arising hereunder shall be governed by and interpreted in accordance with the laws  
8 of the State of California. This Agreement shall be construed as a whole according to its fair  
9 language and common meaning to achieve the objectives and purposes of the parties hereto,  
10 and the rule of construction to the effect that ambiguities are to be resolved against the drafting  
11 party shall not be employed in interpreting this Agreement, all parties having been represented  
12 by counsel in the negotiation and preparation hereof.

13 30. WAIVER. Failure by a party to insist upon the strict performance of any  
14 of the provisions of this Agreement by the other party, or the failure by a party to exercise its  
15 rights upon the default of the other party, shall not constitute a waiver of such party's right to  
16 insist and demand strict compliance by the other party with the terms of this Agreement  
17 thereafter.

18 31. JURISDICTION AND VENUE. Any action at law or in equity arising  
19 under this Agreement or brought by a party hereto for the purpose of enforcing, construing or  
20 determining the validity of any provision of this Agreement shall be filed in the consolidated  
21 Courts of Riverside County, State of California, and the parties hereto waive all provisions of  
22 law providing for the filing, removal or change of venue to any other court or jurisdiction.

23 32. AUTHORITY TO EXECUTE. The persons executing this Agreement or  
24 exhibits attached hereto on behalf of the parties to this Agreement hereby warrant and  
25 represent that they have the authority to execute this Agreement and warrant and represent that  
26 they have the authority to bind the respective parties to this Agreement to the performance of  
27 its obligations hereunder.

28 33. NOTICES. All notices, requests, demands and other communication

1 required or desired to be served by either party upon the other shall be addressed to the  
2 respective parties as set forth below or the such other addresses as from time to time shall be  
3 designated by the respective parties and shall be sufficient if sent by United States first class,  
4 certified mail, postage prepaid, or express delivery service with a receipt showing the date of  
5 delivery:

6  
7 AGENCY

8 Executive Director  
9 Redevelopment Agency  
10 for the County of Riverside  
11 5555 Arlington Avenue  
12 Riverside, CA 92504

HOUSING AUTHORITY

Assistant County Executive Officer/EDA  
Housing Authority  
of the County of Riverside  
5555 Arlington Avenue  
Riverside, CA 92504

13 34. COUNTERPARTS. This Agreement may be signed by the different  
14 parties hereto in counterparts, each of which shall be an original but all of which together shall  
15 constitute one and the same agreement.

16 35. EFFECTIVE DATE. The effective date of this Agreement is the date the  
17 parties sign the Agreement. If the parties sign the Agreement on more than one date, then the  
18 last date the Agreement is signed by a party shall be the effective date.

19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
(signatures continue on next page)

1 IN WITNESS WHEREOF, the AGENCY and the HOUSING AUTHORITY have executed  
2 this Loan Agreement as of the date first above written.

3  
4 ATTEST:


5 Nancy Romero  
6 Clerk of the Board

REDEVELOPMENT AGENCY  
FOR THE COUNTY OF RIVERSIDE

7  
8  
9 By:   
10 Deputy

By:   
11 JOHN TAVAGLIONE  
12 Chairman, Board of Directors

13 APPROVED AS TO FORM

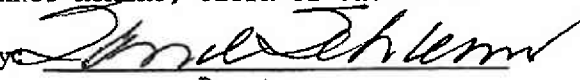
14  
15 By:   
16 AGENCY Counsel

17  
18  
19 HOUSING AUTHORITY OF  
20 THE COUNTY OF RIVERSIDE

21 By:   
22 John Tavaglione,  
23 Chairman, Board of Commissioners

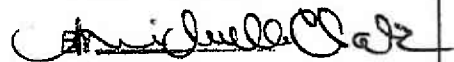
24 (All signatures on this page need to be notarized)

25 ATTEST:  
26 NANCY ROMERO, Clerk of the Board

27 By:   
28 Deputy

FORM APPROVED  
COUNTY COUNSEL

MAY 25 2007



STATE OF CALIFORNIA }  
COUNTY OF RIVERSIDE } §

On this 5<sup>th</sup> day of June in the year 2007, before me, Sandi Schlemmer, Deputy Clerk of the Board of Supervisors, Riverside County, State of California, and for said County and State, personally appeared John Tavaglione personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who whose name subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity on behalf of which the person acted, executed this instrument.

WITNESS my hand and official seal.

Nancy Romero, Clerk of the Board of Supervisors

By *Sandi Schlemmer*  
Deputy

(SEAL)

EXHIBIT "A"

LEGAL DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PROTION OF TRACT 179, AS SHOWN BY INDEPENDENT RESURVEY OF TOWNSHIP 7 SOUTH, RANCE 22 EAST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS ACCEPTED BY THE GENERAL LAND OFFICE IN 1919, LYING WESTERLY OF THE WEST BOUNDARY OF THE TOWNSITE OF RIPLEY, AS SHOWN BY MAP RECORDED IN BOOK 10, PAGE 33, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF BLOCK 7 OF SAID TOWNSITE OF RIPLEY AS SHOWN ON SAID MAP;

THENCE NORTH 0° 58' WEST, 150 FEET, ON THE WEST LINE OF SAID BLOCK, TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 89° 02' WEST, 80 FEET TO THE SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN DEED TO CHARLIE LEONARD, RECORDED APRIL 1, 1955, IN BOOK 1717 PAGE 181 AS INSTRUMENT NO. 21427 OF OFFICIAL RECORDS;

THENCE ON THE EAST, NORTH AND WEST BOUNDARIES OF THE LEONARD PARCEL, THE FOLLOWING COURSES AND DISTANCES; NORTH 50 FEET, WEST 150 FEET SOUTH 50 TO A POINT ON THE NORTH LINE OF THAT PARDEL DESCRIBED IN DEED TO PALO VERDE VALLEY UNION SCHOOL DISTRICT, RECORDED SEPTEMBER 16, 1926, IN BOOK 687, PAGE 404 AS INSTRUMENT NO. 1066 OF OFFICIAL RECORDS;

THENCE SOUTH 89° 2' WEST 1108 FEET, ON THE NORTHERLY LINE OF SAID SCHOOL DISTRICT PARCEL AND THE WESTERLY EXTENSION THEREOF, TO A POINT ON THE WEST LINE OF SAID TRACT 176;

THENCE NORTH 400.00 FEET, ON THE WEST LINE OF SAID TRACT 176, TO THE SOUTHERLY RIGHT OF WAY LINE OF THE CALIFORNIA SOUTHERN RAILROAD COMPANY LAND AS DESCRIBED IN DEED RECORDED OCTOBER 11, 1921, IN BOOK 551, PAGE 480 OF DEEDS;

THENCE EASTERLY 1338 FEET, ON THE SOUTHERLY RIGHT OF WAY LINE OF SAID RAILROAD PARCEL, TO THE WEST LINE OF SAID TOWNSITE OF RIPLEY;

THENCE SOUTH 0° 58' EAST 400 FEET, ON SAID WEST LINE, TO THE POINT OF BEGINNING.



## EXHIBIT "B"

### Project Description:

The Housing Authority proposed to renovate the 100 unit Ripley Farm Worker Center and converting the facility to a 76-unit housing complex for year round rental housing to low-income households and farm workers.

### Project Sources and Uses of Funds:

#### Sources:

HCD Farm Worker Housing Grant	\$ 3,000,000
RDA Grant	\$ 1,000,000
Housing Authority Equity	\$ 360,000
RDA Loan (55 yrs @ 0%)	<u>\$ 7,500,000</u>
Total Development Cost	<b>\$11,860,000</b>

#### Uses:

Land and Acquisition	\$ 814,169
Site Improvements and Rehabilitation	\$ 9,296,971
Construction contingency	\$ 464,849
Housing Authority Equity Reserve	\$ 360,000
Operating Reserve (24 months)	\$ 340,000
Lease-Up Reserve and Marketing	\$ 200,000
Architectural and Engineering	\$ 300,000
Fees and Permits	<u>\$ 84,011</u>
Total Uses	<b>\$ 11,860,000</b>

## EXHIBIT "C"

### IMPLEMENTATION SCHEDULE

<b>Milestone</b>	<b>Completion Date</b>
1. Architectural and Engineering Drawing	May 1, 2007
2. Building Permit and Permanent Financing Commitment	May 1, 2007
3. Begin Construction	July 1, 2007
4. Certificate of Occupancy	December 1, 2008
5. Occupancy of units	December 1, 2008
6. Submission of Final actual project costs and Sources and Uses of Funds	February 1, 2009
7. Submission of income and ethnic characteristics report	February 1, 2009

<b>Document Submission Schedule</b>	<b>Submission Date</b>
1. Weekly Certified Payroll Documentation	weekly
2. Construction Activities Reporting	monthly
3. Performance Report	yearly

# **EXHIBIT "D"**

**Deed of Trust with Assignment of Rents**

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO  
Redevelopment Agency for the County of Riverside  
5555 Arlington Avenue  
Riverside, CA 92504  
ATTN: Laura Ballesteros

EXEMPT RECORDING FEE CODE 6103

SPACE ABOVE THIS LINE FOR RECORDER'S USE

### DEED OF TRUST WITH ASSIGNMENT OF RENTS

This DEED OF TRUST ("Security Instrument" or "Deed of Trust") is made on this day of JUNE 5<sup>th</sup>, 2007. The Trustors are the HOUSING AUTHORITY OF RIVERSIDE COUNTY ("Borrower"), a public agency, organized and existing under the laws of the State of California, and whose address is 5555 Arlington Avenue, Riverside, CA 92504. The trustee is RIVERSIDE COUNTY ECONOMIC DEVELOPMENT AGENCY ("COUNTY") ("Trustee"). The Beneficiary is the REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE ("Lender"), a public body, corporate and politic, and whose address is 5555 Arlington Avenue, Riverside, CA 92504. Pursuant to the terms of the First Amendment to the Rehabilitation of Real Property Agreement ("First Amendment") and underline loan documents, Borrower owes Lender the principal sum of Seven Million Five Hundred Thousand and No/100 Dollars (U.S. \$7,500,000). This debt is evidenced by Borrower's Promissory Note dated JUNE 5<sup>th</sup>, 2007 ("Note").

The Note provides that:

**The principal of the loan bears simple interest of zero percent (0%) per annum. The amount due under the Promissory Note shall accrue simple interest at a rate of zero percent (0%) per annum. The term of the loan shall be fully deferred for fifty-five (55) years and the loan shall be forgiven after fifty-five (55) years.**

The loan evidenced by the Note and secured by this Security Instrument (the "Loan" or "Redevelopment Agency Loan") is being made pursuant to Community Redevelopment Law, California Health and Safety Code Section 33000 et seq.

The Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest or shared appreciation as provided in the Note, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest as provided in the Note, advanced under paragraph 8 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, subject to the rights of any holder of any Senior Debt (collectively, the "Senior Lien Holders") under any deed of trust securing any Senior Debt (collectively, the "Senior Deeds of Trust"), all of Borrower's right, title and interest in and to the property located in Riverside

County, California. The legal description of the property is further described in Exhibit "D1" attached hereto;

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that the Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey its fee and leasehold interest in the Property, as applicable, and, except for the Senior Deeds of Trust and other encumbrances of record acceptable to the Senior Lien Holders, the Property is unencumbered. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to such encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any late charges due under the Note.
2. **Taxes and Insurance.** Borrower shall pay at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.
  - a. Should Borrower fail to make any payment or to do any act herein provided, then Lender or Trustee, but without obligation so to do and upon written notice to or demand upon Borrower and without releasing Borrower from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Lender or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Lender or Trustee; pay, purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his or her reasonable fees.
3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to amounts payable under paragraph 2; second, to interest due; third, to principal due; and last, to any late charges due under the Note.

- 4 Prior Deeds of Trust; Charge; Liens.** The Borrower shall perform all of the Borrower's obligations under the Senior Deeds of Trust, including Borrower's covenants to make payments when due, subject to applicable cure periods. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any, subject to applicable cure periods. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.
- a) Except for the liens permitted by the Lender which permitted liens include but are not limited to the Senior Deeds of Trust, Borrower shall promptly discharge any other lien which shall have attained priority over this Security Instrument unless Borrower: (1) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (2) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; (3) bond around the lien; or (4) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. Except for the liens of the Senior Deeds of Trust, if Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy such lien or take one or more of the actions set forth above within 30 day of the giving of notice.
- 5. Subordination.** This Deed of Trust shall be recorded in first position. There will be no subordination without approval from the Lender. Lender shall reasonably consider subordinating this Deed of Trust to the conventional construction and permanent financing of Borrower for the rehabilitation of the Project.
- 6. Hazard or Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss of fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods as required in the Rehabilitation of Real Property Agreement. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 8.
- a) All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgagee clause. All requirements hereof pertaining to insurance shall be deemed satisfied if the Borrower complies with the insurance requirements under the Senior Deeds of Trust. All original policies of insurance required pursuant to the Senior Deeds of Trust shall be held by



the Senior Lien Holders; provided, however, Lender may be named as a loss payee as its interest may appear and may be named as an additional insured. Borrower shall promptly give to Lender certificates of insurance showing the coverage is in full force and effect and that Lender is named as additional insured. In the event of loss, Borrower shall give prompt notice to the insurance carrier, the Senior Lien Holders and Lender. Lender may make proof of loss if not made promptly by the Senior Lien Holders or the Borrower.

- b) Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided Borrower determines that such restoration or repair is economically feasible and there is no default continuing beyond the expiration of all applicable cure periods. If Borrower determines that such restoration or repair is not economically feasible or if a default exists after expiration of all applicable cure periods, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Deed of Trust.
- c) Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of Note. If under paragraph 23 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.
- d) Notwithstanding the above, the Lender's rights to collect and apply the insurance proceeds hereunder shall be subject and subordinate to the rights of the Senior Lien Holders to collect and apply such proceeds in accordance with the Senior Deeds Trust.

**7. Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application

process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to representations concerning Borrowers use of Property for affordable housing. If this Security Instrument is on a leasehold, Borrower shall comply with all provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

- a) The Borrower acknowledges that this Property is subject to certain use and occupancy restrictions (which may be further evidenced by a separate agreement recorded in the land records where the Property is located), limiting the Property's use to "low-income housing" (within the meaning of California Community Redevelopment Law) for low-income households earning no more than eighty percent (80%) of the median income within Riverside County. The use and occupancy restrictions may limit the Borrower's ability to rent the Property. The violation of any use and occupancy restrictions may, if not prohibited by federal law, entitle the Lender to the remedies provided in Section 23 hereof.

**8. Protection of Lender's Rights in the Property.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then, subject to any applicable grace periods or cure periods, Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument (including sums secured by the Senior Deeds of Trust), appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 8, Lender does not have to do so.

- a. Any amounts disbursed by Lender under this paragraph 8 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.
- b. Prior to taking any actions under this Section 8, however, Lender shall notify the Senior Lien Holder of such default in the manner provided in Section 23 of this Security Instrument, and shall provide the Senior Lien Holder with the opportunity to cure any such default under this Security Instrument. All amounts advanced by a Senior Lien Holder to cure a default hereunder shall be deemed advanced by such Senior Lien Holder and shall be secured by the applicable Senior Deed of Trust. In addition, the Lender agrees that it will not commence foreclosure proceedings or accept a deed in lieu of foreclosure, or exercise any other rights or remedies hereunder until it has given the Senior

Lien Holders at least 60 days' prior written notice. Any action by Lender hereunder to foreclose or accept a deed in lieu of foreclosure shall be subject to the "due on sale" provisions of the Senior Deeds of Trust.

- c. Lender and Borrower further agree that a default hereunder shall constitute a default under the Senior Deed of Trust. In the event of a default hereunder, the Senior Lien Holder shall have the right to exercise all rights and remedies under the Senior Deed of Trust.

**9. Mortgage Insurance.** (Not used)

**10. Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

**11. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of the Senior Deeds of Trust.

- a. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due. Notwithstanding the foregoing, so long as the value of Lender's lien is not impaired, any condemnation proceeds may be used by Borrower for repair and/or restoration of the project.
- b. If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

- c. Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

**12. Borrower Not Released; Forbearance By Lender Not a Waiver.** Except in connection with any successor in interest approved by lender, extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

**13. Successors and Assigns Bound; Joint and Several Liability.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 18. Borrower's covenants and agreements shall be joint and several.

**14. Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be promptly refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

**15. Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Borrower's mailing address stated herein or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice required to be given to a Senior Lien Holder shall be given by first class mail to any Senior Lien Holder at such address Senior Lien Holder designates by notice to the Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

**16. Governing Law; Severability.** This Security Instrument shall be governed by state law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note



which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

**17. Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

**18. Transfer of the Property or a Beneficial Interest in Borrower.** Except for a conveyance to the trustee under the Senior Deeds of Trust, if all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent (including a transfer of all or any part of the Property to any person who, at initial occupancy of the Property, does not use the Property for "low-income housing" within the meaning of California Community Redevelopment Law) Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument. Nothing in this Security Instrument shall be deemed to require Lender's approval of a transfer of limited partnership interests in the Borrower.

- a. If Lender exercises the foregoing option, Lender shall give Borrower prior written notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.
- b. Notwithstanding Lender's right to invoke any remedies hereunder, as provided in Section 8 above, Lender agrees that it will not commence foreclosure proceedings or accept a deed in lieu of foreclosure, or exercise any other rights or remedies hereunder.
- c. The Borrower and the Lender agree that whenever the Note or this Security Instrument gives the Lender the right to approve or consent with respect to any matter affecting the Property (or the construction of any improvements thereon) or otherwise (including the exercise of any "due on sale" clause), and a right of approval or consent with regard to the same matter is also granted to the Senior Lien Holders pursuant to the Senior Deeds of Trust, the Senior Lien Holders' approval or consent or failure to approve or consent, as the case may be, shall be binding on the Borrower and the Lender.

**19. Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under

this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 18.

**20. Sale of Note; Change of Loan Servicer.** The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 15 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

**21. No Assignment.** Until the loans secured by the Senior Deeds of Trust have been satisfied in full, the Lender and the Borrower agree that the Note and the Security Instrument will not be assigned without the Senior Lien Holders' prior written consent.

**22. Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses, construction, and to maintenance of the Property.

a. Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified in writing by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Prior to taking any such remedial action, however, the Borrower shall notify the Senior Lien Holders that such remedial action is necessary and shall obtain the Senior Lien Holders' prior written consent for such remedial action.

b. As used in this paragraph 22, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the



following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 22, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

**23. Acceleration; Remedies.** Lender shall give notice to Borrower, Borrower's investment limited partner (the "Investment Limited Partner") and the Senior Lien Holders prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower and the Investment Limited Partner (and with respect to a Senior Lien Holder, 60 days from the date the notice is given to such Senior Lien Holder), by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured by the Borrower on or before the date specified in the notice, and the Senior Lien Holders or the Investment Limited Partner have not exercised their right to cure the default, then Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Notwithstanding Lender's right to invoke any remedies hereunder, as provided in Section 8 above, the Lender agrees that it will not commence foreclosure proceedings or accept a deed in lieu of foreclosure, or exercise any other rights or remedies hereunder until it has given the Senior Lien Holders, the Special Limited Partner and the Investment Limited Partner at least 60 days' prior written notice. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 23, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

- a. If Lender invokes the power of sale, Lender or Trustee shall mail copies of a notice of sale in the manner prescribed by applicable law to Borrower and to the other persons prescribed by applicable law. Trustee shall give notice of sale by public advertisement for the time and in the manner prescribed by applicable law. Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder for cash at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property to any later time on the same date by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.
- b. Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements

made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

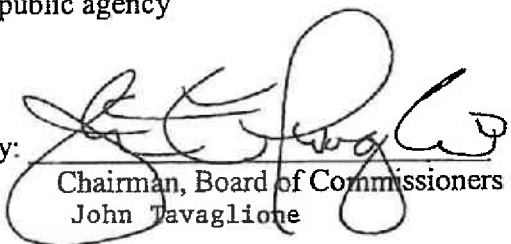
24. **Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.
25. **Substitute Trustee.** Lender, at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder by an instrument recorded in the county in which this Security Instrument is recorded. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.
26. **Modification of Senior Deeds of Trust Loan Documents.** The Lender consents to any agreement or arrangement in which a Senior Lien Holder waives, postpones, extends, reduces or modifies any provisions of the applicable Senior Deed of Trust loan documents, including any provisions requiring the payment of money.
27. **Prohibition against tenancy under foreclosure.** Notwithstanding anything to the contrary set forth in this Deed of Trust or in any documents secured by this Deed of Trust or contained in any subordination agreement, the Beneficiary acknowledges and agrees that, in no event will any action be taken which violates Section 42(h)(6)(E)(ii) of the U.S. Internal Revenue Code of 1986, as amended, regarding prohibitions against evicting, terminating tenancy or increasing rent of tenants for a period of three (3) years after acquisition of a building by foreclosure or deed-in-lieu of foreclosure.
28. **General Partner Change.** The withdrawal, removal, and/or replacement of a general partner of the Borrower pursuant to the terms of the Partnership Agreement of Borrower (as the same may be amended from time to time) shall not constitute a default under any of the Loan Documents, and any such actions shall not accelerate the maturity of the Loan, provided that any required substitute general partner is reasonably acceptable to Lender and is selected with reasonable promptness. Any proposed General Partner replacement shall have the qualifications and financial responsibility as reasonably determined by the Lender necessary and adequate to fulfill the obligations undertaken in the Lender Agreement, as amended.
29. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one (1) and the same instrument.

BY SIGNING BELOW, the Borrower and the Lender accept and agree to the terms and covenants contained in this Security Instrument.

BORROWER:

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE,  
a public agency

By:

  
Chairman, Board of Commissioners  
John Tavaglione

ATTEST:

NANCY ROMERO, Clerk of the Board

By:

  
Deputy

LENDER:

REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE

By:

  
Chairman, Board of Directors  
JOHN TAVAGLIONE

ATTEST:

NANCY ROMERO  
Clerk of the Board

  
Deputy

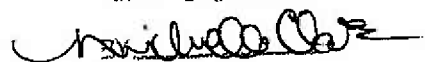
APPROVED AS TO FORM

By:   
Agency Counsel

(All signatures on this page need to be notarized)

FORM APPROVED  
COUNTY COUNSEL

MAY 25 2007




STATE OF CALIFORNIA }  
 } §  
COUNTY OF RIVERSIDE }

On this 5<sup>th</sup> day of June in the year 2007, before me, Sandi Schlemmer, Deputy Clerk of the Board of Supervisors, Riverside County, State of California, and for said County and State, personally appeared John Tavaglione personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who whose name subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity on behalf of which the person acted, executed this instrument.

WITNESS my hand and official seal.

Nancy Romero, Clerk of the Board of Supervisors

BY:   
Deputy

(SEAL)

# Exhibit "D1"

## LEGAL DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PROTION OF TRACT 179, AS SHOWN BY INDEPENDENT RESURVEY OF TOWNSHIP 7 SOUTH, RANCE 22 EAST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS ACCEPTED BY THE GENERAL LAND OFFICE IN 1919, LYING WESTERLY OF THE WEST BOUNDARY OF THE TOWNSITE OF RIPLEY, AS SHOWN BY MAP RECORDED IN BOOK 10, PAGE 33, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF BLOCK 7 OF SAID TOWNSITE OF RIPLEY AS SHOWN ON SAID MAP;

THENCE NORTH  $0^{\circ} 58'$  WEST, 150 FEET, ON THE WEST LINE OF SAID BLOCK, TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH  $89^{\circ} 02'$  WEST, 80 FEET TO THE SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN DEED TO CHARLIE LEONARD, RECORDED APRIL 1, 1955, IN BOOK 1717 PAGE 181 AS INSTRUMENT NO. 21427 OF OFFICIAL RECORDS;

THENCE ON THE EAST, NORTH AND WEST BOUNDARIES OF THE LEONARD PARCEL, THE FOLLOWING COURSES AND DISTANCES; NORTH 50 FEET, WEST 150 FEET SOUTH 50 TO A POINT ON THE NORTH LINE OF THAT PARDEL DESCRIBED IN DEED TO PALO VERDE VALLEY UNION SCHOOL DISTRICT, RECORDED SEPTEMBER 16, 1926, IN BOOK 687, PAGE 404 AS INSTRUMENT NO. 1066 OF OFFICIAL RECORDS;

THENCE SOUTH  $89^{\circ} 2'$  WEST 1108 FEET, ON THE NORTHERLY LINE OF SAID SCHOOL DISTRICT PARCEL AND THE WESTERLY EXTENSION THEREOF, TO A POINT ON THE WEST LINE OF SAID TRACT 176;

THENCE NORTH 400.00 FEET, ON THE WEST LINE OF SAID TRACT 176, TO THE SOUTHERLY RIGHT OF WAY LINE OF THE CALIFORNIA SOUTHERN RAILROAD COMPANY LAND AS DESCRIBED IN DEED RECORDED OCTOBER 11, 1921, IN BOOK 551, PAGE 480 OF DEEDS;

THENCE EASTERLY 1338 FEET, ON THE SOUTHERLY RIGHT OF WAY LINE OF SAID RAILROAD PARCEL, TO THE WEST LINE OF SAID TOWNSITE OF RIPLEY;

THENCE SOUTH  $0^{\circ} 58'$  EAST 400 FEET, ON SAID WEST LINE, TO THE POINT OF BEGINNING.

**EXHIBIT "E"**  
**Promissory Note**



**PROMISSORY NOTE**

**\$7,500,000**

**Riverside, CA**

In installments as hereafter stated, for value received, the Housing Authority of the County of Riverside, a public agency, organized and existing under the laws of the State of California, (hereinafter referred to as "Borrower") promises to pay the REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, a political subdivision of the State of California, (hereinafter referred to as "Lender"), or order, at 5555 Arlington Avenue, Riverside, California, 92504, the sum of Seven Million Five Hundred Thousand and No/100 Dollars (US \$7,500,000) with simple interest on the unpaid principal amount, at the rate of zero percent (0%) percent per annum, interest and principal payable as follows:

**The principal of the loan bears simple interest of zero percent (0%) per annum. The amount due under the Promissory Note shall accrue simple interest at a rate of zero percent (0%) per annum. The term of the loan shall be fully deferred for fifty-five (55) years and the loan shall be forgiven after fifty-five (55) years.**

Prepayment. Prepayment of principal or interest may occur at any time without penalty. However, the affordability requirements outlined in Section 4 iii of AGENCY's Rehabilitation of Real Property Agreement shall remain in full force and effect for fifty-five (55) years after the issuance of the Certificate of Occupancy for the Project.

In any action commenced to enforce the obligation of the Borrower, and any partner, trustee, or beneficiary of the Borrower to pay principal and interest under this Note, the judgment shall not be enforceable personally against the Borrower or the Borrower's assets, and the recourse of the AGENCY for the collection of such amounts shall be limited to actions against the Property described in the AGENCY Deed of Trust executed by the Borrower to secure this Note and the rents, profits, issues, products, and income from the Property.

Should default be made in payment of principal and interest when due and such default shall continue beyond the applicable notice and cure period provided in the AGENCY Deed of Trust, the whole sum of principal and interest shall become immediately due at the option of the holder of this Note. Principal and interest are payable in lawful money of the United States. If action be instituted on this Note, the undersigned promises to pay such sums as the Court may fix as attorney's fees.

The Borrower and its partners, officers, and directors shall not have direct or indirect personal liability for payment of the principal of, or interest on, the AGENCY Loan or the performance of the Borrower's obligations under the AGENCY documents. The sole recourse of the AGENCY with respect to payment of the principal of, or interest on, the AGENCY Loan, shall be to the Property. This nonrecourse provision does not limit or impair the enforcement against all such security for the AGENCY Loan of all the rights and remedies of the AGENCY, nor does it impair the right of the AGENCY to assert the unpaid principal amount of the AGENCY Loan as a demand for money within the meaning of California Code of Civil Procedure Section 431.70 or any successor provision. In addition, this nonrecourse provision does not relieve the Borrower of personal liability for any of the following (i) fraud or willful misrepresentation; (ii) the failure to


pay taxes, assessments, or other charges that could create statutory liens on the Project and that are payable or applicable prior to any foreclosure under the AGENCY Deed of Trust; (iii) the fair market value of any personal property of fixtures removed or disposed of by the Borrower other than in accordance with the AGENCY Deed of Trust; (iv) the willful misapplication 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 any portion of the Project (to the extent of the misapplied proceeds or awards); and (v) any rental income or other income arising with respect to the Project received by the Borrower after the AGENCY has properly exercised its rights under the AGENCY Deed of Trust to receive such income upon an Event of Default (as defined under the AGENCY Deed of Trust).

Executed at Riverside, California, on June 5, 2007.

BORROWER:

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE,

By:

  
Chairman, Board of Commissioners  
John Tavaglione

(All signatures on this page need to be notarized)

ATTEST:

NANCY ROMERO, Clerk of the Board

By:   
Deputy

STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

} §  
}

On this 5<sup>th</sup> day of June in the year 2007, before me, Sandi Schlemmer, Deputy Clerk of the Board of Supervisors, Riverside County, State of California, and for said County and State, personally appeared John Tavaglione personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who whose name subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity on behalf of which the person acted, executed this instrument.

WITNESS my hand and official seal.

Nancy Romero, Clerk of the Board of Supervisors

By   
Deputy

(SEAL)

ATTACHMENT 5

[Behind this page]

1 No Fee for Recording Pursuant to  
2 6103 Government Code  
3 Order No.  
4 Escrow No.  
5 Loan No.

6 RECORDING REQUESTED BY AND  
7 WHEN RECORDED MAIL TO:

8 Redevelopment Agency  
9 for the County of Riverside  
10 1325 Spruce Street, Ste. 400  
11 Riverside, CA 92507  
12 Attn. Laura Ballesteros

13 SPACE ABOVE THIS LINE FOR RECORDERS USE

14 **FIRST AMENDMENT TO LOAN AGREEMENT**  
15 **FOR THE REHABILITATION OF**  
16 **THE RIPLEY FARM WORKER HOUSING CENTER**

17 This First Amendment to Loan Agreement (the "First Amendment") is entered into  
18 effective this 26th day of February, 2008, by and between the REDEVELOPMENT  
19 AGENCY FOR THE COUNTY OF RIVERSIDE, a public body, corporate and politic (herein  
20 after referred to as "AGENCY") and the HOUSING AUTHORITY OF THE COUNTY OF  
21 RIVERSIDE, a public agency, organized and existing under the laws of the State of California  
22 (hereinafter referred to as "HOUSING AUTHORITY") for the rehabilitation of the "Ripley Farm  
23 Worker Center" (hereinafter referred to as the "Project") , as specifically identified in Exhibit  
24 "A" attached hereto and incorporated herein by reference.

25 WITNESSETH:

26 WHEREAS, the AGENCY and the HOUSING AUTHORITY entered into a Loan  
27 Agreement (hereinafter referred to as the "Agency Loan Agreement"), dated June 5, 2007; and

28 WHEREAS, under the terms and conditions of the Agency Loan Agreement, the  
AGENCY has provided to HOUSING AUTHORITY funds in the original principal amount of  
Seven Million Five Hundred Thousand dollars (\$7,500,000) (hereinafter referred to as the  
"Agency Loan") for the substantial increase in construction costs and operating expenses; and






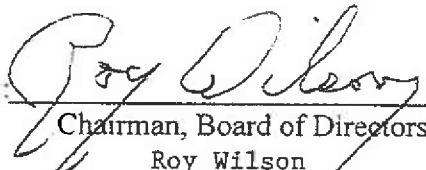
1 IN WITNESS WHEREOF, the AGENCY and the HOUSING AUTHORITY have executed this  
2 Agreement as of the date first above written.

3  
4 ATTEST:

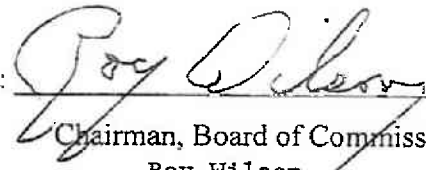
REDEVELOPMENT AGENCY  
FOR THE COUNTY OF RIVERSIDE

5 Nancy Romero  
6 Clerk of the Board

7   
8 Deputy Clerk

By:   
Chairman, Board of Directors  
Roy Wilson

9  
10 HOUSING AUTHORITY OF  
11 THE COUNTY OF RIVERSIDE

12  
13 By:   
14 Chairman, Board of Commissioners  
15 Roy Wilson

16  
17 APPROVED AS TO FORM

18  
19 By:  01/14/08  
AGENCY Counsel Michelle Clark

20  
21 (All signatures on this page need to be notarized)

STATE OF CALIFORNIA }  
 } §  
COUNTY OF RIVERSIDE }

On February 26, 2008, before me, Sandi Schlemmer, Deputy Clerk, personally appeared Roy Wilson, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under the 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

Nancy Romero  
Clerk of the Board of Supervisors

By   
Deputy

(SEAL)

**Exhibit "A"**

Address: 24-501 School Road, Ripley CA 92272

Assessor's Parcel Number: 872-210-023

LEGAL DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PROTION OF TRACT 179, AS SHOWN BY INDEPENDENT RESURVEY OF TOWNSHIP 7 SOUTH, RANCE 22 EAST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS ACCEPTED BY THE GENERAL LAND OFFICE IN 1919, LYING WESTERLY OF THE WEST BOUNDARY OF THE TOWNSITE OF RIPLEY, AS SHOWN BY MAP RECORDED IN BOOK 10, PAGE 33, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF BLOCK 7 OF SAID TOWNSITE OF RIPLEY AS SHOWN ON SAID MAP;

THENCE NORTH 0° 58' WEST, 150 FEET, ON THE WEST LINE OF SAID BLOCK, TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 89° 02' WEST, 80 FEET TO THE SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN DEED TO CHARLIE LEONARD, RECORDED APRIL 1, 1955, IN BOOK 1717 PAGE 181 AS INSTRUMENT NO. 21427 OF OFFICIAL RECORDS;

THENCE ON THE EAST, NORTH AND WEST BOUNDARIES OF THE LEONARD PARCEL, THE FOLLOWING COURSES AND DISTANCES; NORTH 50 FEET, WEST 150 FEET SOUTH 50 TO A POINT ON THE NORTH LINE OF THAT PARDEL DESCRIBED IN DEED TO PALO VERDE VALLEY UNION SCHOOL DISTRICT, RECORDED SEPTEMBER 16, 1926, IN BOOK 687, PAGE 404 AS INSTRUMENT NO. 1066 OF OFFICIAL RECORDS;

THENCE SOUTH 89° 2' WEST 1108 FEET, ON THE NORTHERLY LINE OF SAID SCHOOL DISTRICT PARCEL AND THE WESTERLY EXTENSION THEREOF, TO A POINT ON THE WEST LINE OF SAID TRACT 176;

THENCE NORTH 400.00 FEET, ON THE WEST LINE OF SAID TRACT 176, TO THE SOUTHERLY RIGHT OF WAY LINE OF THE CALIFORNIA SOUTHERN RAILROAD COMPANY LAND AS DESCRIBED IN DEED RECORDED OCTOBER 11, 1921, IN BOOK 551, PAGE 480 OF DEEDS;

THENCE EASTERLY 1338 FEET, ON THE SOUTHERLY RIGHT OF WAY LINE OF SAID RAILROAD PARCEL, TO THE WEST LINE OF SAID TOWNSITE OF RIPLEY;

THENCE SOUTH 0° 58' EAST 400 FEET, ON SAID WEST LINE, TO THE POINT OF BEGINNING.

ATTACHMENT 6

[Behind this page]

1 NO FEE FOR RECORDING PURSUANT  
2 TO GOVERNMENT CODE SECTION 6103

3 Order No.  
4 Escrow No.  
5 Loan No.

6 RECORDING REQUESTED BY AND  
7 WHEN RECORDED MAIL TO:

8 County of Riverside  
9 Economic Development Agency  
10 1325 Spruce Street, Suite 400  
11 Riverside, CA 92507  
12 Attn. Der Xiong

DOC # 2010-0148937

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Page 1 of 4

Recorded in Official Records

County of Riverside

Larry W. Ward

Assessor, County Clerk & Recorder



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13 **SECOND AMENDMENT TO THE LOAN AGREEMENT FOR THE**  
14 **REHABILITATION OF RIPLEY FARM WORKER HOUSING CENTER**

15 This Second Amendment to that certain Loan Agreement for the Rehabilitation of the  
16 Ripley Farm Worker Housing Center dated June 5, 2007, ("Second Amendment") is entered  
17 into this 19<sup>th</sup> day of May, 2009, ("Effective Date") by and between the  
18 REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE ("AGENCY"), a  
19 public body, corporate and politic and the HOUSING AUTHORITY OF THE COUNTY OF  
20 RIVERSIDE, public agency, organized and existing under the laws of the State of California  
21 ("HOUSING AUTHORITY").

22 **WITNESSETH:**

23 **WHEREAS**, on June 5, 2007, the AGENCY and the HOUSING AUTHORITY entered  
24 into that certain Loan Agreement for the Rehabilitation of the Ripley Farm Worker Housing  
25 Center in the amount of Seven Million Five Hundred Thousand Dollars (\$7,500,000)  
26 ("Agency Loan Agreement") for the rehabilitation and renovation of the Ripley Farm Worker  
27 Housing Center ("Project"); and

28 **WHEREAS**, on February 26, 2008, the AGENCY and the HOUSING AUTHORITY  
entered into the First Amendment to the Agency Loan Agreement, which converted the  
AGENCY's loan into a grant ("Agency Grant"); and

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1           **WHEREAS**, the total amount of the Agency Grant is Seven Million Five Hundred  
2 Thousand Dollars (\$7,500,000); and

3           **WHEREAS**, the HOUSING AUTHORITY completed the Project and renamed the  
4 complex the Desert Rose Apartments; and

5           **WHEREAS**, the HOUSING AUTHORITY is facing many challenges in leasing the  
6 newly renovated Desert Rose Apartments and is requesting an additional grant from the  
7 AGENCY, not to exceed the amount of Two Hundred Thousand (\$200,000); and

8           **WHEREAS**, this additional grant will be used to provide subsidies to, or for the benefit  
9 of, extremely low income households, very low income households, lower income households  
10 or persons and families of low or moderate income; and

11           **WHEREAS**, providing this additional grant to the HOUSING AUTHORITY will assist  
12 the AGENCY in increasing, improving and preserving the community's supply of low and  
13 moderate income housing available at affordable housing cost; and

14           **WHEREAS**, the Agency is willing to provide an additional \$200,000 to the HOUSING  
15 AUTHORITY.

16           **NOW, THEREFORE**, in consideration of the foregoing, and the promises and mutual  
17 covenants and conditions hereinafter set forth, the AGENCY and the HOUSING  
18 AUTHORITY do hereby agree as follows:

- 19           1. The Agency Grant shall be increased by \$200,000; and
- 20           2. The Agency Loan Agreement, as amended by the First Amendment, is hereby  
21           modified and amended to reflect a grant of Redevelopment Agency Low- and  
22           Moderate Income Housing Funds in the total amount of \$7,700,000; and
- 23           3. The Agency Loan Agreement, First Amendment and this Second Amendment  
24           contain the entire understanding and agreement of the parties hereto. There are  
25           no oral or written representations, understandings, or ancillary covenants,  
26           undertakings or agreements, which are not contained or expressly referred to  
27           within this Agreement; and  
28



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2 of 4



- 4. All other terms and conditions of the Agency Loan Agreement and the First Amendment remain unmodified and in full force and effect; and
- 5. This Second Amendment may be signed by the different parties hereto in counterparts, each of which shall be an original, but all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the AGENCY and the HOUSING AUTHORITY have executed this Second Amendment as of the date first above written.

REDEVELOPMENT AGENCY  
FOR THE COUNTY OF RIVERSIDE

HOUSING AUTHORITY  
OF THE COUNTY OF RIVERSIDE

By: Jeff Stone  
JEFF STONE  
Chairman, Board of Directors

By: Jeff Stone  
JEFF STONE  
Chairman, Board of Commissioners

ATTEST:  
KECIA HARPER-IHEM, Clerk of the Board

By: [Signature]  
Deputy

APPROVED AS TO FORM  
PAMELA J. WALLS  
Agency Counsel

By: [Signature]  
Deputy Executive Clerk



MAY 19 2009 10.1, 4.2



LARRY W. WARD  
COUNTY OF RIVERSIDE  
ASSESSOR-COUNTY CLERK-RECORDER

Recorder  
P O Box 751  
Riverside, CA 92502-0751  
(951) 486-7000

www.riversideacr.com

CERTIFICATION

Pursuant to the provisions of Government Code 27361.7, I certify under the penalty of perjury that the following is a true copy of illegible wording found in the attached document:

(Print or type the page number(s) and wording below):

Board of Supervisors  
Riverside County California  
Michelle Clark  
Established 1893

2010-014837  
84/01/2010 09:08 AM  
4 of 4



Date: 4/1/2010

Signature: Mary J. Lowe

Print Name: Mary J. Lowe