

FORM APPROVED COUNTY COUNSEL 1/29/15
 BY: GREGORY P. PRIAMOS DATE

**SUBMITTAL TO THE BOARD OF COMMISSIONERS
 HOUSING AUTHORITY
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

121A



FROM: Housing Authority

SUBMITTAL DATE:
 January 29, 2015

SUBJECT: First Amendment to Ground Lease Between the Housing Authority of the County of Riverside and Jurupa Valley Vista Rio Partners LP relating to Assessor Parcel Numbers 181-041-002, 181-041-004, and 181-041-008; and Adoption of Resolution No. 2015-002 Funding Commitment and Support for Application for Low-Income Housing Tax Credits for Vista Rio Apartments, in the City of Jurupa Valley, District 2; [\$2,500,000]; Low and Moderate Income Housing Asset Funds 100%; Project Exempt Under CEQA

RECOMMENDED MOTION: That the Board of Commissioners:

1. Find that the First Amendment to Ground Lease is not a project under California Environmental Quality Act (CEQA);

(Continued)

Robert Field
 Executive Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 2,500,000	\$	\$ 2,500,000	\$	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	
SOURCE OF FUNDS: Low-Moderate Income Housing Asset Funds				Budget Adjustment: No	
				For Fiscal Year: 2014/15	

C.E.O. RECOMMENDATION:

APPROVE

BY:
 Rohini Dasika

County Executive Office Signature

MINUTES OF THE HOUSING AUTHORITY BOARD OF COMMISSIONERS

On motion of Commissioner Ashley, seconded by Commissioner Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Benoit and Ashley
 Nays: None
 Absent: None
 Date: February 10, 2015
 xc: Housing Authority

Kecia Harper-Ihem
 Clerk of the Board
 BY:
 Deputy

Prev. Agn. Ref.: 9.3 of 6/17/2014

District: 2

Agenda Number:

10-1

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: Susana Garcia-Bocanegra 1/29/15

- A-30
- 4/5
- Positions Added
- Change Order
- Vote

Departmental Concurrence

SUBMITTAL TO THE BOARD OF COMMISSIONERS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Housing Authority

FORM 11: First Amendment to Ground Lease Between the Housing Authority of the County of Riverside and Jurupa Valley Vista Rio Partners LP relating to Assessor Parcel Numbers 181-041-002, 181-041-004, and 181-041-008; and Adoption of Resolution No. 2015-002 Funding Commitment and Support for Application for Low-Income Housing Tax Credits for Vista Rio Apartments, in the City of Jurupa Valley, District 2; [\$2,500,000]; Low and Moderate Income Housing Asset Funds 100%;Project Exempt Under CEQA

DATE: January 29, 2015

PAGE: 2 of 4

RECOMMENDED MOTION: (Continued)

- 2 Approve the First Amendment to Ground Lease, including all attachments thereto, between the Housing Authority of the County of Riverside (as landlord) and Jurupa Valley Vista Rio Partners LP, (as tenant) (First Amendment to Ground Lease) and the Amendment to Agreement Containing Covenants (Including Rental Restrictions) (Amendment to Covenants), each attached;
- 3 Authorize the Chairman of the Board of Commissioners to execute the attached First Amendment to Ground Lease and Amendment to Covenants;
- 4 Adopt Resolution No. 2015-002 Funding Commitment (in the amount of \$2,500,000) and Support for Application for Low-Income Housing Tax Credits for Vista Rio Apartments;
- 5 Authorize the Executive Director, or designee to take all necessary steps to implement the First Amendment to Ground Lease and Amendment to Covenants, including but not limited to, signing subsequent necessary and relevant documents, subject to approval by County Counsel; and

BACKGROUND:

Summary

The Housing Authority of the County of Riverside (Housing Authority) and Jurupa Valley Vista Rio Partners, LP, a California limited partnership (Partnership) entered into that certain Ground Lease on June 17, 2014 (Ground Lease) wherein the Housing Authority conveyed a leasehold interest to Partnership in approximately 3.87 acres of land located at 3901 Briggs Street, within the City of Jurupa Valley, more specifically identified as Assessor Parcel Numbers 181-041-002, 181-041-004 and 181-041-008 (Leased Premises). The term of the Ground Lease is for 99 years. Pursuant to the Ground Lease, the Partnership is required to develop, construct and operate on the Leased Premises a new 49-unit multi-family housing project, which shall be operated as rental housing that is affordable to extremely low, very low, low, and other income households, a community center, and related parking ("Project"), as more specifically described in the Ground Lease. The use and occupancy of the rental housing is restricted for 99 years pursuant to that certain Agreement Containing Covenants (Including Rental Restrictions) dated June 17, 2014 (Covenants). Construction of the project has not yet commenced.

Due to changed financial conditions, the Partnership is requesting the Housing Authority amend the scope of the Project to reduce the number of affordable rental housing units to be developed from 49 affordable units (comprised of 33 two-bedroom units and 16 three bedroom units) to 39 affordable units (comprised of 26 two-bedrooms (approximately 979 square feet each) and 13 three bedrooms (approximately 1,257 square feet each). The remainder of the scope of the project will remain unchanged. One two bedroom unit will continue to be set-aside for an on-site manager. The term of affordability and rent restrictions will not change. As provided in the Board approved Ground Lease, 49% of the units will continue to be restricted to households whose incomes do not exceed 50% of the Area Median Income for the County of Riverside, within that 49%, at least 30% of the units shall be restricted to households whose incomes do not exceed 30% of the Area Median Income for the County of Riverside. The decrease in the scope of the project will allow the Partnership to fill the gap in financing needed to complete the project. The proposed reduction in the number of affordable units to be developed is set forth in the proposed First Amendment to Ground Lease and Amendment to Agreement Containing Covenants which are each attached.

(Continued)

SUBMITTAL TO THE BOARD OF COMMISSIONERS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Housing Authority

FORM 11: First Amendment to Ground Lease Between the Housing Authority of the County of Riverside and Jurupa Valley Vista Rio Partners LP relating to Assessor Parcel Numbers 181-041-002, 181-041-004, and 181-041-008; and Adoption of Resolution No. 2015-002 Funding Commitment and Support for Application for Low-Income Housing Tax Credits for Vista Rio Apartments, in the City of Jurupa Valley, District 2; [\$2,500,000]; Low and Moderate Income Housing Asset Funds 100%;Project Exempt Under CEQA

DATE: January 29, 2015

PAGE: 3 of 4

BACKGROUND:

Summary (Continued)

The Partnership was originally formed by Palm Communities for the purpose of applying for tax credits from the California Tax Credit Allocation Committee (TCAC) to pay a portion of the development costs for the Project. If awarded, the low-income housing tax credits will be used by the Partnership to finance a majority of the costs to develop and construct the Project. Staff has reviewed and recommends support for the Partnership's TCAC application since it is consistent with the Ground Lease. In order to complete the tax credit application process, the Partnership must provide TCAC with a resolution providing support for the Partnership's application.

The Project currently has a funding gap of \$2,500,000 and the Partnership has submitted an application to the Housing Authority requesting financial assistance from the Housing Authority's Low and Moderate Income Housing Asset Fund (LMIHAF) in the amount of \$2,500,000 (Housing Authority Loan) to fill such gap. In consideration for the Housing Authority's financial assistance to pay for a portion of the development and construction costs, the Partnership will restrict a minimum of 49% of the project units for rent and occupancy by very-low and extremely low income households. The proposed conditions precedent for the award of the Housing Authority Loan is set forth in Resolution No. 2015-002 which is attached. If awarded, the proposed Housing Authority Loan would be evidenced by a promissory note and secured by a deed trust, in accordance with a separate loan agreement, as set forth in Resolution No. 2015-002.

In addition to supporting the Partnership's TCAC application, the attached Resolution 2015-002 also commits \$2,500,000 in LMIHAF for the previously Board approved Project, subject to the Partnerships satisfaction of the conditions precedent specifically set forth therein, which include, but are not limited to the following:

1. Securing any and all land use entitlements, permits and approvals which may be required for development and construction of the proposed Project, including compliance with the California Environmental Quality Act;
2. Obtaining sufficient equity capital or firm and binding commitments for construction and permanent financing; and
3. Successful negotiation of the Low and Moderate Income Housing Asset Fund Agreement.

The estimated total cost for the Project is \$15,459,861. In addition to the Housing Authority Loan other sources of financing will include Tax Credit Equity in the amount of \$9,701,539, a conventional loan in the amount of \$929,308, a predevelopment loan in the amount of \$398,214 from the former Redevelopment Agency of the County of Riverside to facilitate all entitlement work, which has been expended in full and a waiver of Developer Impact Fees by the City of Jurupa Valley in the amount of \$430,800.

The First Amendment to Ground Lease, is the amendment of an existing Ground Lease to reduce the number of units to be developed from 49 to 39 units lessening the environmental impact that was already evaluated under the California Environmental Quality Act (CEQA) pursuant to the following certified documents: Environmental Assessment No. 1206001902. This change will not result in any significant environmental impacts and actually reduces the impacts that were previously evaluated in the certified Environmental Assessment No. 1206001902.

(Continued)

SUBMITTAL TO THE BOARD OF COMMISSIONERS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Housing Authority

FORM 11: First Amendment to Ground Lease Between the Housing Authority of the County of Riverside and Jurupa Valley Vista Rio Partners LP relating to Assessor Parcel Numbers 181-041-002, 181-041-004, and 181-041-008; and Adoption of Resolution No. 2015-002 Funding Commitment and Support for Application for Low-Income Housing Tax Credits for Vista Rio Apartments, in the City of Jurupa Valley, District 2; [\$2,500,000]; Low and Moderate Income Housing Asset Funds 100%;Project Exempt Under CEQA

DATE: January 29, 2015

PAGE: 4 of 4

BACKGROUND:

Summary (Continued)

Staff recommends that the Board approve Resolution No. 2015-002, the First Amendment to Ground Lease (including all attachments) and the Amendment to Agreement Containing Covenants (Including Rental Restrictions). County Counsel has reviewed and approved as to form the attached Resolution No. 2015-002, First Amendment to Ground Lease (including all attachments) and the Amendment to Agreement Containing Covenants (Including Rental Restrictions).

Impact on Citizens and Businesses

The development and construction of the 39 unit multi-family affordable housing complex will have a positive impact on citizens and businesses. The project is expected to generate construction, maintenance, and property management jobs and provide affordable housing for residents in the County of Riverside.

Attachments:

A-First Amendment to Ground Lease (including Amendment to Agreement Containing Covenants and other attachments)

B-Resolution No. 2015-002

RESOLUTION 2015-002
FUNDING COMMITMENT IN THE AMOUNT OF \$2,500,000
AND SUPPORT FOR APPLICATION FOR
LOW-INCOME HOUSING TAX CREDITS FOR
VISTA RIO APARTMENTS

WHEREAS, the Housing Authority of the County of Riverside, a public entity, corporate and politic ("Housing Authority"), is a California housing authority acting under the California Housing Authorities Law, Part 2 of Division 24 of the Health and Safety Code;

WHEREAS, pursuant to Health and Safety Code Section 34176 ("Section 34176"), and Housing Authority Resolution Nos. 2012-001 (adopted on January 10, 2012), 2012-035 (adopted on January 12, 2012), and 2012-005 (adopted on July 3, 2012) , all housing functions previously performed by the former Redevelopment Agency of the County of Riverside ("former RDA"), including related rights, powers, duties, obligations, and housing assets (excluding amounts in the Low and Moderate Income Housing Fund and enforceable obligations retained by the successor agency) were transferred to the Housing Authority;

WHEREAS, pursuant to Section 34176 and Health and Safety Code section 34176.1 ("Section 34176.1"), funds transferred to the Housing Authority as the "housing successor" to the former RDA, together with any funds generated from housing assets, as defined in Section 34176, shall be maintained in a separate Low and Moderate Income Housing Asset Fund ("LMIHAF") created in the accounts of the Housing Authority. Funds in the LMIHAF shall be used and committed in a manner consistent with Community Redevelopment Law (California Health and Safety Code sections 33000 et seq.) , including, Section 34176.1;

WHEREAS, the Housing Authority (as landlord) and Jurupa Valley Vista Rio Partners LP, a California Limited Partnership ("Partnership") (as tenant) entered into that certain Ground Lease dated June 17, 2014, as amended by that certain First Amendment to Ground Lease dated on or about February 10, 2014 (collectively, "Ground Lease") relating to the lease of

RESOLUTION NUMBER 2015-002

Vista Rio Apartments

PAGE 1 of 5

1 approximately 3.87 acres, located at 3901 Briggs Street in the City of Jurupa Valley, Assessor's
2 Parcel Numbers 181-041-002, 181-041-004, and 181-041-008 ("Property"), and the
3 development and operation thereon of a thirty-nine (39) unit multi-family affordable rental
4 housing complex known as Vista Rio Apartments ("Project");

5 **WHEREAS**, the Partnership was created by Palm Communities, a California corporation
6 ("Palm Communities") for the purpose of applying for Project funding including, but not limited to
7 tax credits;

8 **WHEREAS**, Forty-nine (49) percent of the Project units will be restricted to households
9 whose incomes do not exceed 50% of the Area Median Income for the County of Riverside,
10 within that 49%, at least 30% of the units shall be restricted to households whose incomes do
11 not exceed 30% of the Area Median Income for the County of Riverside;

12 **WHEREAS**, due to changed financial conditions, the Partnership has a gap in project
13 financing;

14 **WHEREAS**, the Partnership has submitted an application to the Housing Authority
15 requesting financial assistance in the amount of \$2,500,000 ("Housing Authority Loan") derived
16 from its LMIHAF to fill the Project's financing gap;

17 **WHEREAS**, the use of the Housing Authority Loan to pay a portion of the construction
18 and development costs for the Project is consistent with Community Redevelopment Law,
19 including, Section 34176.1;

20 **WHEREAS**, the California Tax Credit Allocation Committee (TCAC), through its
21 application process, allocates low-income housing tax credits to eligible affordable housing
22 projects to raise project equity through the sale of tax benefits to investors;

23 **WHEREAS**, the Partnership intends to submit an application to TCAC for an allocation
24 of low-income housing tax credits and the proceeds from the sale of such tax credits will be
25 used to finance Project costs;

26 **WHEREAS**, the application deadline to be considered for the first round of applications
27 for 2015 is March 4, 2015;

28
RESOLUTION NUMBER 2015-002

Vista Rio Apartments

1 **WHEREAS**, if Partnership is not awarded tax credits in the 2015 first round of TCAC
2 applications then Partnership intends to submit an application in the 2015 second round of
3 applications prior to the deadline of July 1, 2015;

4 **WHEREAS**, to complete the TCAC application process, the Partnership is required to
5 provide a resolution from the Housing Authority's Board of Commissioners, supporting the
6 Project;

7 **WHEREAS**, the Developer has successfully completed several affordable housing
8 complexes in California;

9 **WHEREAS**, the Housing Authority desires to commit approximately \$2,500,000 in
10 LMIHAF funds to be used to pay a portion of the development and construction costs for the
11 Project, subject to the Partnership's satisfaction of certain conditions that benefit the Housing
12 Authority; and

13 **WHEREAS**, the Housing Authority desires to support the Partnership's application to
14 TCAC for an allocation of low-income housing tax credits.

15 **BE IT RESOLVED, DETERMINED, AND ORDERED** by the Board of Commissioners for
16 the Housing Authority of the County of Riverside, State of California, in regular session
17 assembled on February 10, 2015, as follows:

- 18 1) That the Board of Commissioners hereby finds and declares that the above recitals are
19 true and correct and incorporated as though set forth herein.
- 20 2) The Board of Commissioners supports the Partnership's application to TCAC for an
21 allocation of low-income housing tax credits, the sale proceeds of which will be used to
22 finance the development and construction of a multi-family affordable rental housing
23 project consisting of thirty eight (38) affordable rental units and one (1) additional
24 manager's unit (for a total of 39 units), on real property comprised of three (3)
25 contiguous parcels totaling 3.87 acres of land, located at 3901 Briggs Street, City of
26 Jurupa Valley, Assessor's Parcel Numbers 181-041-002, 181-041-004, and 181-041-
27 008.

28
RESOLUTION NUMBER 2015-002

Vista Rio Apartments

1 3) Subject to any restriction on the use of Low and Moderate Income Housing Asset funds
2 contained in Community Redevelopment Law, including, but not limited to Section
3 34176 and Section 34176.1, the Board of Commissioners agrees to provide financial
4 assistance to the Partnership in the maximum amount of \$2,500,000 derived from the
5 Housing Authority's Low and Moderate Income Housing Asset Funds ("Housing
6 Authority Loan") to pay a portion of the construction and development costs for the
7 Project, subject to the satisfaction of the following conditions precedent:

- 8 a. Borrower: Jurupa Valley Vista Rio Partners LP, a California limited partnership;
9 b. Project Name: Vista Rio Apartments.
10 c. Housing Authority Loan Amount: Not to exceed Two Million Five Hundred
11 Thousand Dollars (\$2,500,000).
12 d. Interest: Three Percent (3%) simple interest;
13 e. Affordability Period: Ninety-Nine (99) years from recordation of the Notice of
14 Completion for the Project.
15 f. LMIHAF Housing Authority Loan Term: Fifty five (55) years;
16 g. Repayment: Loan Principal Payments and interest derived from the Project's
17 residual receipts, outstanding loan principal amount is due at the end of the 55
18 year affordability term.
19 h. Entitlements and Governmental Approvals: Secure any and all required land use
20 entitlements, permits and approvals which may be required for construction of
21 the Project, including, but not limited to compliance with the California
22 Environmental Quality Act.
23 i. Other Financing: the Housing Authority Loan is expressly conditioned upon the
24 Partnership's ability to secure sufficient equity capital or firm and binding
25 commitments for financing necessary to undertake the development and
26 construction of the Project. All financing contemplated or projected with respect
27 to the Project shall be, or have been, approved in form and substance by the
28 Housing Authority. Additional financing for the Project includes: \$9,701,539 in tax

RESOLUTION NUMBER 2015-002

Vista Rio Apartments

FORM APPROVED COUNTY COUNSEL
BY: *[Signature]* /-29-15
DATE: 1-29-15
BY: SHANIA BROWN

1 credit equity, \$929,308 in the form of a conventional loan, \$398,214 from a
2 predevelopment loan from the former Redevelopment Agency of the County of
3 Riverside to facilitate all entitlement work, which has been expended in full and
4 the City of Jurupa Valley waived Developer Impact Fees in the amount of
5 \$430,800. The total cost of development is estimated to be \$15,459,861.

- 6 j. Monitoring Fee: Payment of annual Compliance Monitoring Fee to the Housing
7 Authority in the amount of \$3,900. Monitoring fee to be adjusted annually, not to
8 exceed the Consumer Price Index (CPI).
- 9 k. Partnership must comply with all applicable Community Redevelopment Law,
10 including, but not limited to Section 34176 and Section 34176.1, and other state
11 and federal funding requirements.
- 12 l. Successful negotiation of a LMIHAF Loan Agreement, approved as to form by
13 County Counsel, approved by the Board of Commissioners and executed by all
14 required parties.

15 4) The Board of Commissioners' commitment to provide the Housing Authority Loan,
16 subject to the satisfaction of the conditions precedent set forth herein, is valid until
17 October 31, 2015, and shall thereafter have no force or effect, unless a LMIHAF Loan
18 Agreement, approved as to form by County Counsel, has theretofore been approved and
19 executed by the Board of Commissioners and the Partnership, with respect to the
20 Project.

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ROLL CALL:

Ayes: Jeffries, Tavaglione, Benoit and Ashley
Nays: None
Absent: None

The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on the date therein set forth.

KECIA HARPER-IHEM, Clerk of said Board

By *[Signature]*
Deputy

RESOLUTION NUMBER 2015-002

02.10.15 10-1

Vista Rio Apartments

1 NO FEE FOR RECORDING PURSUANT
2 TO GOVERNMENT CODE SECTION 6103
3 Escrow No.
4 Loan No.

5 RECORDING REQUESTED BY AND
6 WHEN RECORDED MAIL TO:
7 Housing Authority of the County of Riverside
8 5555 Arlington Ave
9 Riverside, CA 92504
10 Attn: Stephanie Adams

SPACE ABOVE THIS LINE FOR RECORDERS USE

8
9 **FIRST AMENDMENT TO GROUND LEASE**

10 This First Amendment to Ground Lease ("First Amendment") is made and
11 entered into this 10th day of February, 2015 by and between THE HOUSING
12 AUTHORITY OF THE COUNTY OF RIVERSIDE, a public entity, corporate and politic, in
13 its capacity as housing successor to the former Redevelopment Agency for the County of
14 Riverside ("LANDLORD"), and JURUPA VALLEY VISTA RIO PARTNERS LP, a
15 California Limited Partnership ("TENANT"). Tenant and Landlord shall collectively be
16 referred to herein as the "Parties" and individually as a "Party."

17 WITNESSETH:

18 WHEREAS, LANDLORD and TENANT entered into that certain Ground Lease
19 dated June 17, 2014 ("Ground Lease") recorded in the Official Records of Riverside County
20 ("Official Records") concurrently herewith, wherein LANDLORD conveyed to TENANT a
21 leasehold interest in approximately 3.87 acres of real property located at 3901 Briggs Street,
22 within the City of Jurupa Valley, identified as Assessor Parcel Numbers 181-041-002, 181-
23 041-004 and 181-041-008, as described in the legal description attached hereto as Attachment
24 No. 1 and incorporated herein by this reference ("Property"). All capitalized terms not
25 described herein shall have the meaning ascribed to them in the Ground Lease;

26 WHEREAS, pursuant to the Ground Lease TENANT is required, among other
27 things, to develop, construct and operate on the Property a 49-unit multi-family housing
28 project, which shall be operated as rental housing that is affordable to Extremely Low, Very
Low, Low, and Other Income Households (as defined in the Ground Lease), a community

1 center and related parking ("Project"), as more specifically described in the Ground Lease;

2 WHEREAS, pursuant to the Ground Lease, TENANT and LANDLORD entered into
3 that certain Agreement Containing Covenants (Including Rental Restrictions) dated June 17,
4 2014 and recorded in the Official Records concurrently herewith ("Covenants") restricting the
5 use and occupancy of the leased premises as affordable housing for a period of 99 years as
6 more specifically described therein;

7 WHEREAS, due to changed financing conditions, LANDLORD and TENANT
8 desire to amend the scope of the project to reduce the number of Affordable Units constructed
9 on the leased premises from 49 to 39 units. The 39 units will consist of 26 two-bedroom
10 apartment units and 13 three-bedroom apartment units and 1 two-bedroom apartment unit set
11 aside for an on-site manger. The decrease in the scope of the project will allow the TENANT
12 to fill the gap in financing needed to complete the project;

13 WHEREAS, pursuant to the Ground Lease TENANT is required to pay LANDLORD
14 an annual monitoring fee in the amount of \$5880 to monitor and enforce the affordability
15 covenants contained in the Ground Lease and the Covenants. The decrease in the scope of the
16 project will require a decrease in the annual monitoring fee from \$5880 to \$3900;

17 WHEREAS, the purpose of this First Amendment is to effectuate and amend the Ground
18 Lease by providing for (i) an amendment to the scope of the project contained in the Ground
19 Lease, Scope of Development (Exhibit C to Ground Lease), and the Covenants to reduce the
20 number of Affordable Units developed and constructed from 49 to 39; (ii) reduce the
21 monitoring fee to be paid by TENANT from \$5800 to \$3900; and (iii) modifications to certain
22 other obligations of the Parties, all on the terms and conditions as set forth below.

23 NOW, THEREFORE, for good and valuable consideration, the receipt and
24 sufficiency of which is hereby mutually acknowledged, the Parties do hereby agree as follows:

- 25 1. **Recitals**. The Recitals and attachments referenced above are incorporated herein by this
26 reference and adopted by the Parties to be true and correct.
- 27 2. **Amendment to Project Description**. The Parties acknowledge and agree that the total
28 number of affordable units to be constructed on the leased premises pursuant to the

1 Ground Lease is being reduced from 49 affordable units (33 two-bedroom units and 16
2 three bedroom units) to 39 affordable units (26 two-bedrooms and 13 three bedrooms).
3 One two bedroom unit will continue to be set-aside for an on-site manager. All
4 references to 49 Affordable Units set forth in the Ground Lease, including any
5 attachments thereto, are hereby deleted in their entirety and replaced with reference to
6 39 Affordable Units.

- 7 3. **Amendments to the Ground Lease.** The Ground Lease is hereby amended as follows:
- 8 a. The definition of "Project" set forth in the 5th Recital of the Ground Lease is hereby
9 amended to delete reference to a "49-unit multi-family housing project" and replace
10 with reference to a, "39-unit multi-family housing project."
- 11 b. The definition of "Affordable Units" set forth in Article 1-Definitions of the Ground
12 Lease is hereby deleted in its entirety and replaced with the following:
13 ""Affordable Units" shall mean the approximately 39 residential apartment units to be
14 constructed on the Leasehold Premises by Tenant in accordance with this Lease and
15 the Amended Scope of Development (Exhibit "C"), including the Manager Unit.
16 Except for the Manager Unit, the Affordable Units shall be restricted by Tenant for
17 rental to Extremely Low, Very Low, Low, and Other Income households, at an
18 Affordable Rent, in accordance with the terms and conditions of this Lease, as
19 amended, and the Agreement Containing Covenants, as amended (Exhibit "E").
- 20 c. Section 5.1.2 of the Ground Lease is hereby amended to delete reference to "49
21 Affordable Units" and replace with reference to "39 Affordable Units."
- 22 d. Section 5.1.3 (iv)(a) of GROUND LEASE discussing the monitoring requirement
23 and related fee, is hereby deleted in its entirety and replaced with the following:
24 "(a) Landlord, and its respective successors and assigns, shall have the right, but not the
25 obligation, to monitor and enforce the covenants contained in this Section 5.1.3.
26 Tenant covenants that it shall comply with any monitoring program set up by
27 Landlord to enforce said covenants. In complying with such monitoring program,
28 Tenant or its agent shall prepare and submit to Landlord an occupancy report,

1 financial information and income verification documents for each tenant of an
2 Affordable Unit, and all supporting documentation, on forms provided by Tenant
3 (or Landlord), annually, (“Annual Report”) setting forth the required information for
4 the preceding year, which shall include, at a minimum the following information for
5 each Affordable Unit: (i) initial occupancy date; (ii) the number of persons residing
6 in the unit; (iii) a written certification containing information of the identity of each
7 member of the household and the total household income; and (iv) the monthly rent
8 charged. Upon request by the Landlord, Tenant shall include, with the Annual
9 Report, an annual income recertification and documentation verifying tenant
10 eligibility, and such additional information as the Landlord may reasonably request
11 from time to time in order to ensure compliance with the affordability restrictions as
12 set forth in this Lease. Tenant shall pay to Landlord all such costs associated with
13 said monitoring and enforcement efforts as required by Landlord. Tenant shall pay
14 Landlord an annual monitoring fee in the amount of \$3900 due on July 1st of each
15 year for the monitoring period of July 1st to June 30th commencing July 1, 2018 (the
16 “Monitoring Fee”). The Monitoring Fee is to be adjusted upwards annually,
17 increased by an amount equal to the increase in CPI for the Los-Angeles-Riverside-
18 Orange County, CA area. In the event of a decrease in the applicable CPI, the
19 Monitoring Fee currently in effect shall remain the same and shall not decrease.”

- 20 4. **Scope of Development.** The Scope of Development attached to the Ground Lease as
21 Exhibit “C” is hereby deleted in its entirety and replaced with the Amended Scope of
22 Development attached hereto as Attachment No. 2 and incorporated herein by this
23 reference. All references to “Scope of Development” contained in the Ground Lease,
24 including any attachments, are hereby deleted in their entirety and replaced with
25 “Amended Scope of Development.”
- 26 5. **Agreement Containing Covenants.** That certain Agreement Containing Covenants
27 (Including Rental Restrictions) executed by the Parties, dated June 17, 2014 and
28 recorded in the Official Records concurrently herewith, is hereby amended by the

1 Amendment to Agreement Containing Covenants (Including Rental Restrictions)
2 (“Amendment to Covenants”) attached hereto as Attachment No. 3 and incorporated
3 herein by this reference. The Amendment to Covenants shall be executed by the Parties,
4 in recordable form, and delivered to LANDLORD, no later than 3 days after the
5 Effective Date of this First Amendment for recordation by LANDLORD in the Official
6 Records.

7 6. **Miscellaneous.**

- 8 a. **Further Cooperation.** The Parties agree to execute such other instruments,
9 agreements and amendments to documents as may be necessary or appropriate to
10 effectuate the Ground Lease as amended by this First Amendment.
- 11 b. **Interpretation.** This First Amendment, when combined with the Ground Lease, sets
12 forth and contains the entire understanding and agreement of the parties hereto. There
13 are no oral or written representations, understandings, or ancillary covenants,
14 undertakings or agreements, which are not contained or expressly referred to within
15 this First Amendment or the Ground Lease.
- 16 c. **Attachments.** Each of the attachments and exhibits attached hereto are incorporated
17 herein by this reference.
- 18 d. **Effectiveness of Ground Lease.** Except as modified and amended by this First
19 Amendment all other terms and conditions of the Ground Lease remain unmodified
20 and in full force and effect.
- 21 e. **Counterparts.** This First Amendment may be signed by the different parties hereto in
22 counterparts, each of which shall be an original but all of which together shall
23 constitute one and the same agreement.
- 24 f. **Effective Date.** The effective date of this First Amendment is the date the parties
25 execute this First Amendment. If the parties execute this First Amendment on more
26 than one date, then the last date this First Amendment is executed by a party shall be
27 the effective date.
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g. Board of Commissioners. This First Amendment is not binding until approved by the Board of Commissioners.

///

First Amendment to Ground Lease-Signature Page

IN WITNESS WHEREOF, the parties have executed this First Amendment to Ground Lease as of the date first above written.

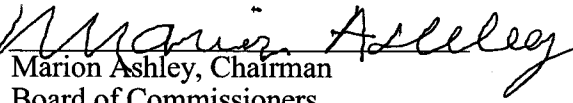
"LANDLORD"

"TENANT"

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

JURUPA VALLEY VISTA RIO PARTNERS LP, a California limited partnership

By: PC JURUPA VALLEY VISTA RIO DEVELOP LLC, a California limited liability company, its general partner

By: 
Marion Ashley, Chairman
Board of Commissioners

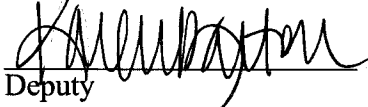
By: PALM COMMUNITIES, a California corporation, its sole member

By: 
Danavon Horn, President

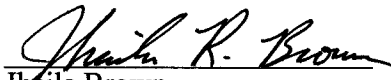
Date: FEB 10 2015

Date: 1/29/15

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:
Gregory P. Priamos, County Counsel

By: 
Jhaila Brown
Deputy County Counsel

(Signatures on this page need to be notarized)

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 RIVERSIDE

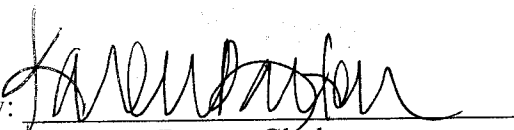
}
§
}

On February 10, 2015, before me, Karen Barton, Board Assistant, personally appeared Marion Ashley, Chairman of the Board of Supervisors, 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; and that a copy of this paper, document or instrument has been delivered to the chairperson.

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

Kecia Harper-Ihem
Clerk of the Board of Supervisors

By: 
Deputy Clerk

(SEAL)

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.

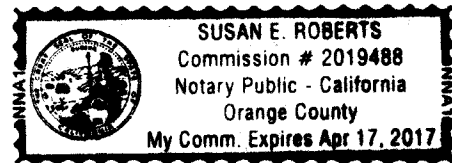
STATE OF CALIFORNIA)
) §
County of Orange)

On January 29, 2015, before me, Susan E. Roberts a Notary Public, personally appeared Danaven L. Horn 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.

Susan E. Roberts
Signature of Notary



(Affix seal here)



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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, _____,

Date

Here Insert Name and Title of the Officer

personally appeared _____

Name(s) of Signer(s)

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.

Signature _____

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer — Title(s): _____

Partner — Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

Signer's Name: _____

Corporate Officer — Title(s): _____

Partner — Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

ATTACHMENT NO. 1
LEGAL DESCRIPTION

(behind this page)

**EXHIBIT "A" - LEGAL DESCRIPTION
LOT LINE ADJUSTMENT NO. 05411**

PARCEL B

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 at 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 at 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 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 $33^{\circ}53'22''$ 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 $56^{\circ}27'20''$ 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 $33^{\circ}26'24''$ 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 $32^{\circ}44'43''$, an arc distance of 171.45 feet;

Thence South $89^{\circ}21'45''$ East, a distance of 37.00 feet;

Thence South $58^{\circ}54'06''$ 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 $20^{\circ}52'30''$ West;

Thence easterly along said curve, to the right, through a central angle of $27^{\circ}11'09''$, an arc distance of 24.67 feet more or less to a point on the northwesterly right of way line of Briggs Street (Lot "E", 36.00 feet in half width) of said Mayfair Square Unit 1;

Thence North $33^{\circ}46'10''$ East along said northwesterly right of way line, a distance of 5.61 feet to the northwesterly corner of said Lot "E";

Thence South $56^{\circ}27'10''$ 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 $33^{\circ}46'10''$ 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 $56^{\circ}29'50''$ 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 $33^{\circ}46'10''$ 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 $56^{\circ}27'20''$ West along the northeasterly line of said parcel so conveyed, a distance of 308.00 feet to the **TRUE POINT OF BEGINNING**.

Containing 3.87 acres, more or less.

ATTACHMENT NO. 2
AMENDED SCOPE OF DEVELOPMENT

(behind this page)

Amended SCOPE OF DEVELOPMENT

A. Tenant Responsibilities

1. General

This is the Scope of Development attached to the Ground Lease (“Ground Lease”) by and between the Housing Authority of the County of Riverside (“Housing Authority”) and Jurupa Valley Vista Rio Partners, L.P., a California limited partnership (“Tenant”) pertaining to the Property. Any capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the GROUND LEASE.

Tenant shall be responsible for providing all parking appropriate and necessary for the proposed development of the Property along with appropriate landscaping, all in accordance with applicable City of Jurupa Valley (“City”) requirements and codes. All improvements on the Property (“Improvements”) shall be of high architectural quality, well landscaped, and effectively and aesthetically designed. The shape, scale, exterior design, and exterior finish of the Improvements must be consonant with, visually as well as physically related to, and an enhancement to the adjacent neighborhood.

Tenant’s plans, drawings and proposals submitted to the Housing Authority and City for approval shall describe in reasonable detail the architectural character intended for the Improvements.

2. Improvements

Notwithstanding the generality of Section 1, above, the Tenant shall construct, or cause to be constructed on the Property, a) two and three__story of three_ buildings (“Structure”). The Structures will contain: (i) 38_Affordable Units and 1 Managers unit, comprised of 26 two-bedroom apartments, and 13 three-bedroom apartments; (ii) approximately 3,093_square feet of Community Space, and (iv) the Parking with 100_spaces (2.0 space/unit).

The following is a summary of the scope of development for the Project:

Site Area	155,347_sq. ft.
Floor Area Ratio (FAR)	37.5%
FAR Bonuses Proposed	N
Stories	2_stories
Type of Housing	Affordable Rental Apartments
Total Number of Units / Total Residential Square Feet	39/43,300 sqft
Types of Units (sizes)	2BR/ 915-1004 sqft 3BR/ 999-1259 sqft

Type of Parking-	100 spaces for residential
Assessor's Parcel Nos.	181-041-002, 004, 008

3. Green Building

The Project shall achieve Silver LEED certification or other applicable green building standard required by TCAC . The Project team includes LEED certified staff to assist with the design and selection of the Project's green building features and LEED strategy. Costs for the proposed green building features and LEED certification process are incorporated into the Project Budget

4. Amenities

The Project shall include approximately 3,093 square feet of community space. The ground floor shall include (Active play area, courtyard, on-site computer training etc).

5. Parking

The Surface parking shall include 49 covered and 48 uncovered parking spaces, 1 covered accessible and 2 accessible open parking spaces, totaling 100 spaces (2.0 space/unit) for the residents living in the development. All spaces shall be designed to City of Jurupa Valley Standards.

6. Required Permits/Compliance with Laws

The Property shall be developed in accordance with Plot Plan_ No.21201, and all applicable laws.

7. Design Development and 100% Construction Drawings

The Tenant shall submit for approval to the Housing Authority 100% Construction Drawings which implement the design intent of the Basic Concept/Schematic Drawings and any requirements included in the Plot Plan No.21201.

ATTACHMENT NO. 3

**AMENDMENT TO AGREEMENT CONTAINING COVENANTS
(INCLUDING RENTAL RESTRICTIONS)**

(behind this page)

EXEMPT RECORDING FEE CODE 6103
RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Housing Authority of the County of Riverside
5555 Arlington Ave
Riverside, CA 92504
Attn: Stephanie Adams

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**AMENDMENT TO AGREEMENT CONTAINING COVENANTS
(Including Rental Restrictions)**

This AMENDMENT TO AGREEMENT CONTAINING COVENANTS (Including Rental Restrictions) ("Amendment to Covenants") is made and entered into as of this 10th day of February, 2015, by and between the HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE, a public entity corporate and politic, in its capacity as housing successor to the former Redevelopment Housing Authority for the County of Riverside ("HOUSING AUTHORITY") and JURUPA VALLEY VISTA RIO PARTNERS LP, a California Limited Partnership ("TENANT"). HOUSING AUTHORITY and TENANT are individually referred to herein as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, TENANT owns a leasehold interest in approximately 3.87 acres of real property located at 3901 Briggs Street, within the City of Jurupa Valley, identified as Assessor Parcel Numbers 181-041-002, 181-041-004 and 181-041-008, as described in the legal description attached hereto as Attachment No. 1 and incorporated herein by this reference ("Property"), conveyed pursuant to that certain Ground Lease executed by the Parties dated June 17, 2014 and recorded in the Official Records of Riverside County ("Official Records") concurrently herewith, as amended by that certain First Amendment to Ground Lease dated on or about the date hereof and recorded concurrently herewith in the Official Records (collectively, "Ground Lease"). All capitalized terms not contained herein shall have the meaning ascribed to such terms in the Ground Lease;

WHEREAS, pursuant to the Ground Lease, TENANT and HOUSING AUTHORITY entered into that certain Agreement Containing Covenants (Including Rental Restrictions) dated June 17, 2014 and recorded in the Official Records concurrently herewith ("Covenants") restricting the use and occupancy of the leased premises as affordable housing for a period of 99 years as more specifically described therein;

WHEREAS, pursuant to the Ground Lease and Covenants TENANT is required, among other things, to develop, construct and operate on the Property a 49-unit multi-family housing project, which shall be operated as rental housing that is affordable to extremely low, very low, low, and other income households, a community center and related parking ("Project");

WHEREAS, due to changed financing conditions, HOUSING AUTHORITY and TENANT desire to amend the scope of the Project to reduce the number of affordable units constructed on the leased premises from 49 to 39 units. The 39 units will consist of 26 two-bedroom apartment units and 13 three-bedroom apartment units and 1 two-bedroom apartment unit set aside for an on-site manger. The decrease in the scope of the project will allow the TENANT to fill the gap in financing needed to complete the project;

WHEREAS, pursuant to the Ground Lease and Covenants TENANT is required to pay HOUSING AUTHORITY an annual monitoring fee in the amount of \$5880 to monitor and enforce the affordability covenants contained in the Ground Lease and the Covenants. The decrease in the scope of the project will require a decrease in the annual monitoring fee from \$5880 to \$3900; and

WHEREAS, the Parties desire to amend the Covenants to reflect the reduction in the number of affordable units to be constructed, developed and operated on the Property from 49 units to 39 units and the reduction in the monitoring fee.

I. AMENDMENT TO COVENANTS

NOW, THEREFORE, the Agreement Containing Covenants (Including Rental Restrictions) is hereby amended as follows:

1. Affordable Units. The term "Affordable Units" used within the Covenant shall have the meaning ascribed to such term in that certain First Amendment to Ground Lease executed by the Parties, dated on or about the date hereof and recorded concurrently herewith in the Official Records of the County of Riverside Recorder's Office.
2. Development of Property. Paragraph 1. of the Covenants, titled, "Development of Property" is hereby amended to delete reference to the "Scope of Development" and replace with reference to the "Amended Scope of Development." All other references to "Scope of Development" contained in the Covenants are hereby deleted in their entirety and replaced with "Amended Scope of Development."
3. Use of Property. Paragraph 2. b. of the Covenants, is hereby deleted in its entirety and replaced with the following:

"b. Notwithstanding the generality of subsection (a), above, Owner, its successors and assigns, shall use the Property only for the uses permitted in this Agreement, specifically including the following: (i) residential rental uses, consisting of 39 Affordable Units comprised of 26 two-bedroom units and 13 three bedroom units (ii) the Community Space, and (iii) the Parking Garage. One two bedroom unit will be set-aside for an on-site manager."
4. Affordable Rent. Paragraph 2.c.(2) of the Covenants is hereby deleted in its entirety and replaced with the following:

"(2) All of the Affordable Units shall be available to Extremely Low, Very Income, and Low, and Other Income households at an Affordable Rent in accordance with the Ground Lease, as amended, and Community Redevelopment Law (California Health and Safety Code sections 33000 et seq.)."

5. Monitoring Fee. Section 2.c. (5) of the Covenants is hereby deleted in its entirety and replaced with the following:

“Landlord, and its respective successors and assigns, shall have the right, but not the obligation, to monitor and enforce the covenants contained in the Agreement Containing Covenants, as amended. Tenant covenants that it shall comply with any monitoring program set up by Landlord to enforce said covenants. In complying with such monitoring program, Tenant or its agent shall prepare and submit to Landlord an occupancy report, financial information and income verification documents for each tenant of an Affordable Unit, and all supporting documentation, on forms provided by Tenant (or Landlord), annually, (“Annual Report”) setting forth the required information for the preceding year, which shall include, at a minimum the following information for each Affordable Unit: (i) initial occupancy date; (ii) the number of persons residing in the unit; (iii) a written certification containing information of the identity of each member of the household and the total household income; and (iv) the monthly rent charged. Upon request by the Landlord, Tenant shall include, with the Annual Report, an annual income recertification and documentation verifying tenant eligibility, and such additional information as the Landlord may reasonably request from time to time in order to ensure compliance with the affordability restrictions as set forth in this Lease. Tenant shall pay to Landlord all such costs associated with said monitoring and enforcement efforts as required by Landlord. Tenant shall pay Landlord an annual monitoring fee in the amount of \$3990 due on July 1st of each year for the monitoring period of July 1st to June 30th commencing July 1, 2018 (the “Monitoring Fee”). The Monitoring Fee is to be adjusted upwards annually, increased by an amount equal to the increase in CPI for the Los-Angeles-Riverside-Orange County, CA area. In the event of a decrease in the applicable CPI, the Monitoring Fee currently in effect shall remain the same and shall not decrease. “

II. EFFECT OF AMENDMENT TO COVENANTS

Except as expressly provided otherwise in this Amendment to Agreement Containing Covenants (Including Rental Restrictions), the Agreement Containing Covenants (Including Rental Restrictions) remains in full force and effect, enforceable in accordance with its terms, without diminution or waiver of any kind of any right or remedy of the HOUSING AUTHORITY as beneficiary thereunder.

III. DUPLICATE ORIGINALS

This Amendment to Agreement Containing Covenants (Including Rental Restrictions) may be signed in counterparts, each of which shall be deemed an original, and all such counterparts shall constitute one and the same instrument.

[Remainder of Page Intentionally Blank]

[Signatures on the Following Page]

IN WITNESS WHEREOF, the parties have executed this Amendment to Agreement Containing Covenants (Including Rental Restrictions) as of the date first above written.

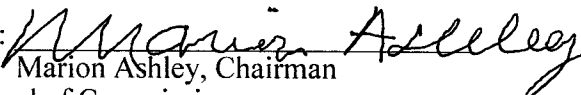
“LANDLORD”

“TENANT”

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

JURUPA VALLEY VISTA RIO PARTNERS LP, a California limited partnership

By: PC JURUPA VALLEY VISTA RIO DEVELOP LLC, a California limited liability company, its general partner

By: 
Marion Ashley, Chairman
Board of Commissioners

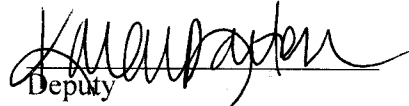
By: PALM COMMUNITIES, a California corporation, its sole member

By: 
Danavon Horn, President

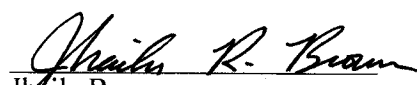
Date: FEB 10 2015

Date: 1/29/15

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:
Gregory P. Priamos, County Counsel

By: 
Jhaila Brown
Deputy County Counsel

(Signatures on this page need to be notarized)

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 Orange)

On January 29, 2015, before me, Susan E. Roberts a Notary Public, personally appeared Danason L. Horn 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.

Susan E. Roberts
Signature of Notary



(Affix seal here)



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189



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, _____
Date Here Insert Name and Title of the Officer

personally appeared _____
Name(s) of Signer(s)

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.

Signature _____
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer — Title(s): _____

Partner — Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

Signer's Name: _____

Corporate Officer — Title(s): _____

Partner — Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

ATTACHMENT NO. 1

LEGAL DESCRIPTION

(behind this page)

**EXHIBIT "A" - LEGAL DESCRIPTION
LOT LINE ADJUSTMENT NO. 05411**

PARCEL B

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 at 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 at 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 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 $33^{\circ}53'22''$ 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 $56^{\circ}27'20''$ 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 $33^{\circ}26'24''$ 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 $32^{\circ}44'43''$, an arc distance of 171.45 feet;

Thence South $89^{\circ}21'45''$ East, a distance of 37.00 feet;

Thence South $58^{\circ}54'06''$ 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 $20^{\circ}52'30''$ West;

Thence easterly along said curve, to the right, through a central angle of $27^{\circ}11'09''$, an arc distance of 24.67 feet more or less to a point on the northwesterly right of way line of Briggs Street (Lot "E", 36.00 feet in half width) of said Mayfair Square Unit 1;

Thence North $33^{\circ}46'10''$ East along said northwesterly right of way line, a distance of 5.61 feet to the northwesterly corner of said Lot "E";

Thence South $56^{\circ}27'10''$ 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 $33^{\circ}46'10''$ 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 $56^{\circ}29'50''$ 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 $33^{\circ}46'10''$ 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 $56^{\circ}27'20''$ West along the northeasterly line of said parcel so conveyed, a distance of 308.00 feet to the **TRUE POINT OF BEGINNING**.

Containing 3.87 acres, more or less.