

2. That Trustor shall not permit or suffer the use of any of the property for any purpose other than the use set forth in the Resale Restrictions. Trustor shall observe and perform all of the covenants and agreements of the Resale Restrictions.

3. That the Secured Obligations are incorporated in and made a part of the Deed of Trust. Upon default of a Secured Obligation, and after the giving of notice and the expiration of any applicable cure period, the Beneficiary, at its option, may declare the whole of the indebtedness secured hereby to be due and payable.

4. Reserved.

5. That upon default hereunder or under the aforementioned agreements, and after the giving of notice and the expiration of any applicable cure period, Beneficiary shall be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take possession and protect the property described herein and operate same and collect the rents, profits and income therefrom.

6. That Trustor will keep the improvements now existing or hereafter erected on the property insured against loss by fire and such other hazards, casualties, and contingencies as may reasonably be required in writing from time to time by the Beneficiary, and all such insurance shall be evidenced by standard fire and extended coverage insurance policy or policies. In no event shall the amounts of coverage be less than 100 percent of the insurable value of the Property. Such policies shall be endorsed with standard mortgage clause with loss payable to the Beneficiary and certificates thereof together with copies of original policies shall be deposited with the Beneficiary. Unless approved otherwise in writing by the Executive Director of the

Beneficiary, or his or her designee, Trustor shall maintain insurance as required by the Resale Restrictions, which is incorporated herein by this reference.

7. To pay, before delinquency, any taxes and assessments affecting said Property; to pay, when due, all encumbrances, charges and liens, with interest, on said Property or any part thereof which appear to be prior or superior hereto; and to pay all costs, fees, and expenses of this Trust. Notwithstanding anything to the contrary contained in this Deed of Trust, Trustor shall not be required to pay and discharge any such tax, assessment, charge or levy so long as Trustor is contesting the legality thereof in good faith and by appropriate proceedings, and Trustor has adequate funds to pay any liabilities contested pursuant to this Section 7.

8. To keep said property in good condition and repair, subject to ordinary wear and tear, casualty and condemnation, not to remove or demolish any buildings thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged, or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon (subject to Trustor's right to contest the validity or applicability of laws or regulations); not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law and/or covenants, conditions and/or restrictions affecting said property; not to permit or suffer any material alteration of or

addition to the buildings or improvements hereafter constructed in or upon said property without the consent of the Beneficiary.

9. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of evidence of title and reasonable attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

10. Should Trustor fail, after the giving of notice and the expiration of any applicable cure period, to make any payment or do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor 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. Following default, after the giving of notice and the expiration of any applicable cure period, Beneficiary or Trustee being authorized to enter upon said property for such purposes, may commence, appear in and/or defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; may 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, may pay necessary expenses, employ counsel, and pay his reasonable fees.

11. Beneficiary shall have the right to pay fire and other property insurance premiums when due should Trustor fail to make any required premium payments. All such payments made by the Beneficiary shall be added to the indebtedness and obligations secured hereby.

12. To pay immediately and without demand all sums so expended by Beneficiary or Trustee, under permission given under this Deed of Trust, with interest from date of expenditure at the lesser of ten percent (10%) or the highest rate of interest permitted by law.

13. That upon the failure of Trustor, after the giving of notice and the expiration of any applicable cure period, to keep and perform all the covenants, conditions, and agreements of said Note and Resale Restrictions, the entire indebtedness evidenced by the Note shall at the option of the Beneficiary of this Deed of Trust become due and payable, anything contained herein to the contrary notwithstanding.

14. Trustor further covenants that it will not voluntarily create, suffer, or permit to be created against the property subject to this Deed of Trust any lien or liens except as authorized by Beneficiary and further that they will keep and maintain the property free from the claims of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected on said premises. Notwithstanding anything to the contrary contained in this Deed of Trust, Trustor shall not be obligated to pay any claims for labor, materials or services which Trustor in good faith disputes and is diligently contesting, provided that Trustor shall, at Beneficiary's written request, within thirty (30) days after the filing of any claim or lien (but in any event, and without any requirement that Beneficiary must first provide a written request, prior to foreclosure) record in the Office of the Recorder of the County of Riverside, a surety bond in the amount of such claim item to protect against a claim of lien, or provide such other security reasonably satisfactory to Beneficiary.

15. That any and all improvements made or about to be made upon the premises covered by the Deed of Trust, and all plans and specifications, comply with all applicable municipal ordinances and regulations and all other applicable regulations made or promulgated, now or hereafter, by lawful authority, and that the same will upon completion comply with all such municipal ordinances and regulations and with the rules of the applicable fire rating or inspection organization, bureau, association or office.

**IT IS MUTUALLY AGREED THAT:**

16. Should the property or any part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire, or earthquake, or in any other manner, subject to the rights of any beneficiary of a deed of trust senior in priority to this Deed of Trust ("Senior Lender"), Beneficiary shall be entitled to all compensation, awards, and other payments or relief therefor which are not used to reconstruct, restore or otherwise improve the property or part thereof that was taken or damaged, and shall be entitled at its option to commence, appear in and prosecute in its own name, any action or proceedings, or to make any compromise or settlement, in connection with such taking or damage. Subject to the rights of any Senior Lender, all such compensation, awards, damages, rights of action and proceeds which are not used to reconstruct, restore or otherwise improve the property or part thereof that was taken or damaged, including the proceeds of any policies of fire and other insurance affecting said property, are hereby assigned to Beneficiary. After deducting therefrom all its expenses, including reasonable attorneys fees, the balance of the proceeds which are not used to reconstruct, restore or otherwise improve the property or part thereof that was taken or damaged, shall be applied to the amount due under the secured hereby. No amount applied to the reduction of the principal shall relieve the trustor from making regular payments as required by the Promissory Note.

17. Reserved.

18. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser its Deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the Deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary, may purchase at the sale. The Trustee shall apply the proceeds of sale to payment of (1) the expenses of such sale, together with the reasonable expenses of this trust including therein reasonable Trustee s fees or attorney s fees for conducting the sale, and the actual cost of publishing, recording, mailing and posting notice of the sale; (2) the cost of any search and/or other evidence of title procured in connection with such sale and revenue stamps on Trustee s Deed; (3) all sums expended under the terms hereof, not then repaid, with accrued interest at the

rate specified in the Note; (4) all other sums then secured hereby; and (5) the remainder, if any, to the person or persons legally entitled thereto.

19. Beneficiary may from time to time substitute a successor or successors to any Trustee named herein or acting hereunder to execute this Trust. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers, and duties conferred upon any Trustee herein named or acting hereunder. Each such appointment and substitution shall be made by written instrument executed by Beneficiary, containing reference to this Deed of Trust and its place of record, which, when duly recorded in the proper office of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

20. The pleading of any statute of limitations as a defense to any and all obligations secured by this Deed of Trust is hereby waived to the full extent permissible by law.

21. Upon written request of Beneficiary stating that all sums secured hereby have been paid and all obligations secured hereby have been satisfied, and upon surrender of this Deed of Trust and the to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or fact shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto." Notwithstanding prepayment of all sums secured hereby, the affordability and use restrictions set forth in the Resale Restrictions shall remain obligations of Trustor until the expiration of the applicable term contained in the Resale Restrictions.

22. The trust created hereby is irrevocable by Trustor.

23. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term "Beneficiary" shall include not only the original Beneficiary hereunder but also any future owner and holder including pledgees, of the Note secured hereby. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. All obligations of Trustor hereunder are joint and several.

24. Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made public record as provided by law. Except as otherwise provided by law the Trustee is not obligated to notify any party hereto of pending sale under this Deed of Trust or of any action of proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

25. The undersigned Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to Trustor at the address set forth in the first paragraph of this Deed of Trust.

26. Trustor agrees at any time and from time to time upon receipt of a written request from Beneficiary, to provide written certification that the Property is Trustor's primary residence.

27. Trustor agrees that the indebtedness secured by this Deed of Trust is made expressly for the purpose of financing the acquisition of the Property and the development and construction of the improvements thereon, pursuant to the DDA, and to be used as provided in the Resale Restrictions.

28. Trustor agrees that, except as otherwise provided in the Note or Resale Restrictions, upon sale or refinancing of the property, the entire indebtedness secured by this Deed of Trust shall at the option of Beneficiary be immediately due and payable.

29. Notwithstanding specific provisions of this Deed of Trust, non-monetary performance hereunder shall not be deemed to be in default where delays or defaults are due to: war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor or supplier; acts of the other party; or acts or failure to act of Beneficiary or any other public or governmental agency or entity (except that any act or failure to act of Beneficiary shall not excuse performance by Beneficiary). An extension of time for any such cause (a "Force Majeure Delay") shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause. If, however, notice by the party claiming such extension is sent to the other party more than thirty (30) days after the commencement of the cause, the period shall commence to run only thirty (30) days prior to the giving of such notice. Times of performance under this Deed of Trust may also be extended in writing by the Executive Director or designee of Beneficiary and Trustor. Notwithstanding the foregoing, none of the foregoing events shall constitute a Force Majeure Delay unless and until Trustor delivers to Beneficiary written notice describing the event, its cause, when and how Trustor obtained knowledge, the date the event commenced, and the estimated delay resulting therefrom. Trustor shall deliver such written notice within fifteen (15) days after it obtains actual knowledge of the event.

30. If the rights and liens created by this Deed of Trust shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the obligations described herein, the unsecured portion of such obligations shall be completely performed and paid prior to the performance and payment of the remaining and secured portion of the obligations, and all performance and payments made by Trustor shall be considered to have been performed and paid on and applied first to the complete payment of the unsecured portion of the obligations.

31. (a) Subject to the extensions of time set forth in Section 29, and subject to the notice and cure provisions of this Section 31, failure or delay by Trustor to perform any term or provision respectively required to be performed under the Note, the Resale Restrictions, this Deed of Trust, a Senior Loan, the AHP Loan, CalHome Loan, Serna Loan or under any deed of trust secured against the Property, constitutes a default under this Deed of Trust;

(b) Beneficiary shall give written notice of default to the party in default, specifying the default complained of by the Beneficiary. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default. Except as otherwise expressly provided in this Deed of Trust, any failures or delays by Beneficiary in asserting any of its rights and remedies as to any default shall not operate as a waiver of any

default or of any such rights or remedies. Delays by Beneficiary in asserting any of its rights and remedies shall not deprive Beneficiary of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

(c) If a monetary event of default occurs, prior to exercising any remedies hereunder, the Beneficiary shall give the Trustor written notice of such default. The Trustor shall have a period of ten (10) calendar days after such notice is received or deemed received within which to cure the default prior to exercise of remedies by the Beneficiary.

(d) If a non-monetary event of default occurs, prior to exercising any remedies hereunder, the Beneficiary shall give the Trustor notice of such default. If the default is reasonably capable of being cured within thirty (30) calendar days after such notice is received or deemed received, the Trustor shall have such period to effect a cure prior to exercise of remedies by the Beneficiary. If the default is such that it is not reasonably capable of being cured within thirty (30) days after such notice is received, and the Trustor (1) initiates corrective action within said period, and (2) diligently, continually, and in good faith works to effect a cure as soon as possible, then the Trustor shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by the injured party, but in any event no more than sixty (60) days of receipt of such notice of default from the Beneficiary.

(e) Any notice of default that is transmitted by electronic facsimile transmission followed by delivery of a "hard" copy, shall be deemed delivered upon its transmission; any notice of default that is personally delivered (including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service), shall be deemed received on the documented date of receipt by Trustor; and any notice of default that is sent by registered or certified mail, postage prepaid, return receipt required shall be deemed received on the date of receipt thereof.

(h) After the giving the notice and cure specified in this Section 31, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale, and of written notice of default and of election to cause the property to be sold, which notice Trustee shall cause to be duly filed for record and Beneficiary may foreclose this Deed of Trust. Beneficiary shall also deposit with Trustee this Deed, the Note and all documents evidencing expenditures secured hereby.

32. This Deed of Trust shall be subordinate and junior to the Deed of Trust recorded concurrently herewith securing the Senior Loan made by [insert name \_\_\_\_\_] (the "Senior Lender") and its successors and assigns.

33. In the event of any fire or other casualty to the Property or eminent domain proceedings resulting in condemnation of the Property or any part thereof, Trustor shall have the right to rebuild the Property, and to use all available insurance or condemnation proceeds therefor, provided that (a) such proceeds are sufficient to keep the Authority Loan in balance and rebuild the Property in a manner that provides adequate security to Beneficiary for repayment of the Authority Loan or if such proceeds are insufficient then Trustor shall have funded any deficiency, (b) Beneficiary shall have the right to approve plans and specifications for any major

rebuilding and the right to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, and (c) no material default then exists under the Authority Loan Documents. If the casualty or condemnation affects only part of the Property and total rebuilding is infeasible, then proceeds may be used for partial rebuilding and partial repayment of the Authority Loan in a manner that provides adequate security to Beneficiary for repayment of the remaining balance of the Authority Loan.

IN WITNESS WHEREOF Trustor has executed this Deed of Trust as of the day and year set forth above.

TRUSTOR

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

EXHIBIT "A"

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

[to be inserted]



**ATTACHMENT NO. P-3**  
**FORM OF ADDENDUM TO GRANT DEED**

**FORM OF ADDENDUM TO GRANT DEED  
FROM DEVELOPER TO PURCHASER**

A. Purpose of this Addendum. This Addendum to Grant Deed (this "Addendum") is attached to and made part of that certain Grant Deed between The Coachella Valley Housing Coalition, a California nonprofit public benefit corporation ("Developer" herein) and \_\_\_\_\_ ("Owner" herein) and provides that the property which is the subject of the Grant Deed (the "Property") is conveyed by Developer subject to the deed restrictions (collectively the "Deed Restriction") set forth below. Words and phrases used in this Addendum shall have the same meanings as in the Grant Deed unless specifically provided otherwise. If there is any conflict between the provisions of this Addendum and the provisions of the Grant Deed, the provisions of this Addendum will prevail.

B. Subsidy. In accepting said Deed Restriction, the undersigned Owner understands and acknowledges that the Property is being sold to the Owner because Owner is a Low Income First Time Homebuyer; that the Property being sold to Owner for a sales price that results in an Affordable Housing Cost to Owner as the result of a subsidy ("Subsidy") provided to Developer by the Housing Authority of the County of Riverside ("Authority") in accordance with a certain Disposition and Development Agreement (the "DDA") by and between Authority and Developer, dated as of \_\_\_\_\_, 2015 and recorded in the Official Records of the County of Riverside on \_\_\_\_\_, 2015 as Document No. \_\_\_\_\_, which DDA is a public record on file in the office of the Authority; that the Subsidy has been passed along and made available to Owner by means of the purchase money loan made by the Authority to Owner and secured by a deed of trust recorded against the Property on the Dwelling Unit ("Authority Mortgage"); and that without the Subsidy, the sales price of the Property would exceed the amount that is affordable to Owner. Provided, however, that nothing contained herein is intended to prohibit Owner from benefiting from additional financing subsidies.

C. Authority to Act as Loan Servicer. So long as Authority is the beneficiary of the Authority Deed of Trust, the Authority shall act as loan servicer.

D. Deed Restrictions. in return for and in consideration of the opportunity for the Developer to sell and the Owner to purchase the Property under the above-referenced circumstances and for other good and valuable consideration, the receipt and legal sufficiency of which the undersigned hereby acknowledge, the Owner, on behalf of himself, herself, or themselves and with the express intent to bind all those defined as "Owner" in Paragraph 1 below, hereby agrees as follows:

1. Definitions

"Affordable Housing Cost" shall mean, pursuant to Health and Safety Code Section 50052.5(b)(3), for Lower Income Households the housing cost payments shall not exceed thirty percent (30%) of the gross income of the household times seventy percent (70%) of the Area Median Income as determined by HUD, adjusted for household size appropriate for the Dwelling

Unit. For purposes of this definition, the phrase “adjusted for household size appropriate for the Dwelling Unit” shall mean a household size equal to the number of bedrooms in the Dwelling Unit plus one.

“Affordable Housing Resale Restriction” means that certain “Affordable Housing Resale Restriction Option to Designate Eligible Purchaser with Alternative Option to Purchase and Option to Purchase Upon Default”, to be executed by Owner on or prior to the close of escrow for the acquisition of the Property. The Affordable Housing Resale Restriction includes, among other things, a first right of refusal in favor of the Authority to the purchased dwelling unit to be constructed on the Property.

“Area median income” shall mean the median income of the Riverside-San Bernardino-Ontario Standard Metropolitan Statistical Area, adjusted for family size by the United States Department of Housing and Urban Development (“HUD”) pursuant to Section 8 of the United States Housing Act of 1937, as determined by HUD and published from time to time by the California Department of Housing and Community Development.

“Capital Improvements” means physical improvements legally made on the Property by Owner, as evidenced by building permits or other documentation acceptable to the Authority that materially add to the value of the Property or considerably prolong its useful life, as determined by the Authority. Examples of Capital Improvements include, but are not limited to, adding a new bathroom, installing new plumbing or wiring, installing a new roof. Repairs, reconstruction or maintenance of the Property are not considered Capital Improvements.

“USDA” means the United States Department of Agriculture.

“DDA” shall mean the Disposition and Development Agreement entered by and between the Authority and The Coachella Valley Housing Coalition., a California nonprofit public benefit corporation, dated as of \_\_\_\_\_, 2015.

“Dwelling Unit” means the single-family home to be constructed on the Property.

“AHP Loan” means a purchase money loan of Federal Home Loan Bank of San Francisco Affordable Housing Program (AHP) funds which may be made by Rabobank to Owner to pay a portion of the construction costs of the Dwelling Unit.

“First Time Homebuyer” means an individual and his or her spouse, partner or family member who have not owned a home during the three (3)-year period immediately preceding the purchase of the Property, except that an individual may not be excluded from consideration as a First Time Homebuyer on the basis that the individual owns or owned, as a principal residence during the 3-year period immediately preceding the purchase of the Property, a dwelling unit whose structure is not permanently affixed to a permanent foundation in accordance with local or other applicable regulations.

“Senior Loan” means the first priority loan from the USDA to Owner to pay a portion of the construction costs for the Dwelling Unit.

“Serna Loan” means a purchase money loan of Joe Serna Jr. Farmworker Housing Grant Program funds which may be made by HCD to Owner to pay a portion of the construction costs of the Dwelling Unit.

“HCD” means the California Department of Housing and Community Development.

“Housing Cost” shall have the meaning set forth in Title 25 California Administrative Code Section 6920.

“Low Income” or “Low Income Household” shall have the meaning set forth in Health and Safety Code Section 50079.5. If the California Department of Housing and Community Development discontinues publishing the Lower Income limits, the term “Lower Income” shall mean a household income that does not exceed 80% of the area median income for the County of Riverside, adjusted by family size.

“Owner” shall mean and include the undersigned Owner and any or all successors in interest (whether voluntary or involuntary), transferees, assigns, heirs, executors, or administrators of the undersigned.

“Right of First Refusal” shall mean the Authority’s right of first refusal to purchase the Dwelling Unit pursuant to the Affordable Housing Resale Restriction.

“Authority Loan” means a purchase money loan in the amount of \_\_\_\_\_ made by the Authority to Purchaser. The Authority Loan shall be evidenced by a promissory note in favor of the Authority and secured by a subordinated deed of trust encumbering the Property.

“Subsidy” shall mean, the assistance provided by Authority to Developer under the DDA and the Authority Loan.

“CalHome Loan” means a purchase money loan which may be made by Developer to Owner using CalHome Program funds, to pay a portion of the construction costs of the Dwelling Unit.

## 2. Affordability.

Owner covenants and agrees for itself, its successors, assigns and any successor in interest to the Property, the Dwelling Unit, or any portion thereof, as follows: the Dwelling Unit shall be sold to and occupied exclusively by Low Income Households for an affordable sale price (including a down payment) which results in an Affordable Housing Cost .

Owner, its successors, assigns and any successor in interest to the Dwelling Unit, and all subsequent purchasers in the chain of title, shall be subject to the income, occupancy and resale restrictions set forth herein for a period of fifteen (15) years (“Affordability Period”) commencing on the date the certificate of occupancy for the Dwelling Unit is recorded in the Official Records.

### 3. Method of Resale or Recapture

(a) If the Owner sells the Dwelling Unit during the Affordability Period, the Owner will be required to pay the Authority a share of the Owner's "Equity" concurrently with that sale..

(i) The Owner's "Equity" is defined as the difference between the sales price of the Dwelling Unit, including any improvements located thereon, and the sum of the following, and as more specifically set forth in the Authority Note:

1. The principal amount of the First Mortgage Loan;
2. The principal amount of the Authority Loan;
3. Owner's actual down payment amount. whether subsidized or paid with cash;
4. All costs paid by Owner in connection with the sale of the Dwelling Unit, including costs of broker's commissions, escrow fees, title costs and fees, recording costs, etc;
5. Costs of any Capital Improvements made by the Owner to the Dwelling Unit, provided such improvements have been documented to the satisfaction of the Authority; and

(ii) The Owner's "Equity" will be shared between the Authority and Owner based on the fifteen (15) year Affordability Period according to the following:

1. The Authority's share of the Owner's Equity is a percentage of the Owner's Equity equal to the percentage calculated by dividing the original principal balance of the Authority Loan by the value of the Dwelling Unit, including any improvements located thereon, (as it was determined in connection with the origination of the first mortgage). The Owner shall pay the Authority the Authority's share of the Owner's Equity concurrently with the close of escrow of the sale of the Dwelling Unit.

2. Commencing from year five (5) through year fifteen (15) of the Affordability period, the share of Equity payable to the Authority from any sale of the Dwelling Unit will be reduced by ten percent (10%) each year

3. If the Owner sells the Dwelling Unit any time after the 15-year Affordability Period, the Owner may retain 100% of the Owner's Equity, provided such Owner shall be required to pay the principal pursuant to Section 3(b) below.

(b) In the event owner sells the Dwelling unit between year 16 and 45 of the Term, Owner shall pay to Authority the entire principal amount of the Authority Note.

(c) Procedures to Notify Authority

(i) Notice of Intent to Transfer. Owner shall not sell or otherwise transfer the Dwelling Unit except in accordance with this Addendum and the Senior Loan and Authority Loan documents. If the Owner of the Dwelling Unit desires to sell or otherwise transfer the Dwelling Unit, the Owner shall notify the Authority in writing (hereinafter referred to as the "Notice of Intent to Transfer") in the form attached to the Resale Restrictions and provide such information as the Authority shall reasonably request regarding the proposed sale or transfer. The Notice of Intent to Transfer shall state the street address of the Dwelling Unit, the Owner's full name(s), the name and current address of the proposed purchaser, and the terms of the proposed transaction. The Notice of Intent to Transfer shall be personally delivered or deposited into the U.S. mail, postage prepaid, first class, certified mail, return receipt requested, addressed to:

Housing Authority of the  
County of Riverside  
5555 Arlington Avenue  
Riverside, CA 92504  
Attn: Deputy Executive Director

(ii) Submission of Additional Information. Representatives of the Authority may at any time after the Authority's receipt of the Notice of Intent to Transfer, request that the Owner or the proposed purchaser provide additional information regarding the proposed transaction for the transfer of the Dwelling Unit, and the Owner and/or purchaser shall supply such information as soon as practicable.

(iii) Determination relating to Purchase or Recapture. Within thirty (30) days following receipt of the Notice of Intent to Transfer, the Authority (or its delegated representative) shall notify Owner whether Authority (or Authority's assignee) elects to exercise its Right of First Refusal to purchase the Dwelling Unit. If Authority (or Authority's assignee) does not elect to exercise its Right of First Refusal, the Dwelling Unit may be sold without restriction, in which case the Authority shall promptly determine and notify Owner of the amount required to fully repay the outstanding balance of the Authority Loan.

(iv) Assignment or Extinguishment and Release of Addendum.

(1) If the Authority (or Authority's assignee) elects to exercise its Right of First Refusal to purchase the Dwelling Unit for sale to a Low Income Household, the sale shall occur on the same terms as indicated in the Notice of Intent to Transfer, and the Authority and Owner shall execute and record such instruments as may be necessary to permit the Low Income Household to assume Owner's obligations under this Addendum; or

(2) If the Authority (or Authority's assignee) elects not to exercise its Right of First Refusal to purchase the Dwelling Unit and the Dwelling Unit is allowed to be sold without restriction, upon the sale or other transfer of the Dwelling Unit and the Owner pays the Authority all amounts then due under the Authority Note, the Authority

shall execute and record such instruments as may be necessary to extinguish and release this Addendum.

(d) Notice of Default Under Deed of Trust or Mortgage, and Authority's Right to Enforce.

The Owner covenants to cause to be filed in the Office of the Recorder of the County of Riverside a request for a copy of any notice of sale or notice of default under any deed of trust or mortgage with power of sale encumbering the Dwelling Unit or any part thereof. Such request shall specify that any such notice shall be mailed to:

Housing Authority of the  
County of Riverside  
5555 Arlington Avenue  
Riverside, CA 92504  
Attn: Deputy Executive Director

(e) Disposition of the Dwelling Unit Contrary to Agreement; Other Defaults.

If the Owner sells, transfers, conveys or otherwise disposes of the Dwelling Unit contrary to this Addendum to Grant Deed, the Senior Loan and/or the AHP Loan, the Authority shall at any time thereafter, at its election, have the right to declare such disposition or other act null and void and/or seek enforcement of the terms and conditions thereof in any manner whatsoever and by law or equity.

4. Limits on Liability

Neither the County of Riverside ("County") nor the Authority shall be liable to Owner or become obligated in any manner to any Owner by reason of the enforcement of this Addendum, nor shall the County or the Authority be in any way obligated or liable to Owner or any subsequent Owner for any failure of any person to consummate a purchase of the Dwelling Unit or to comply with the terms of any agreement of escrow for the sale of the Dwelling Unit. Only the purchaser executing a purchase agreement or escrow instruction shall be liable to Owner or any subsequent Owner pursuant to the terms of any such agreement or escrow instructions. Neither the County nor the Authority shall be liable or responsible for any defect in the condition of the Dwelling Unit of whatever nature and Owner, on behalf of itself and each subsequent Owner, agrees to release the County and the Authority from any such liability and/or responsibility and further agrees to hold the County and the Authority harmless from any claim or cause of action brought by third parties arising out of any such defect.

5. Transfers and Conveyances

Until such time as this Addendum is released by the Authority or expires, the Dwelling Unit and any interest or title thereto shall not be sold, leased, rented, assigned, or otherwise transferred to any person or entity except in accordance with this Addendum.

6. Permitted Transfers

The following transfers of title or any interest therein are permitted by this Addendum and shall not trigger the payment of any Owner's Equity to the Authority, any rights of the Authority to purchase the Dwelling Unit, or result in acceleration of the Authority Loan provided owner provides written notice of such transfer to Authority no later than seven (7) days after the occurrence of such an event:

- (a) A transfer resulting from the death of the Owner where the transfer is to the spouse who is also an Owner;
- (b) A transfer by an Owner to his/her spouse where the spouse becomes the co-owner of the Dwelling Unit and enters into an assumption agreement relating to the Senior Loan and Authority Loan;
- (c) A transfer resulting from a decree of dissolution of the marriage or legal separation or from a settlement agreement incidental to such a decree which requires the Owner to continue to make loan payments by which a spouse who is an obligor becomes the sole owner of the Dwelling Unit; or
- (d) A transfer into an inter vivos trust in which the obligor or obligors are beneficiaries.

Provided, however, that the covenants contained in and the restrictions imposed upon the Owner and the Dwelling Unit by this Addendum shall continue to encumber and run with the title to the Dwelling Unit following said transfers.

#### 7. Permitted Encumbrances

This Addendum is based upon the aforementioned Authority promissory note which is secured by a subordinate lien deed of trust ("Authority Mortgage") on the Property in favor of the Authority. Except for the Senior Loan, CalHome Loan, Serna Loan and AHP Loan, Owner shall not encumber the Property for the purpose of securing financing either senior in priority or subordinated to said promissory note without the prior written approval of the Authority. If the Dwelling Unit is acquired at a foreclosure sale under any deed of trust or mortgage encumbering the Dwelling Unit which is junior to the Authority Deed of Trust, or by deed in lieu of foreclosure sale under any such junior mortgage, title to the Dwelling Unit shall be taken subject to the covenants, restrictions and terms of the Grant Deed (including, but not limited to this Addendum).

#### 8. OMITTED

#### 9. Acceptance of Terms by Owner

By acceptance of the Grant Deed (including this Addendum), the Owner accepts and agrees to be bound by all of the covenants and restrictions contained in this Addendum, and further acknowledges receipt of this Addendum.

#### 10. Default by Owner

In the event of a default by Owner hereunder, Authority shall have the right to exercise all remedies available in law and equity, including, but not limited to having the right, at its election,



to declare a non-Authority approved sale, lease, transfer, assignment or rental, null and void and seek judicial enforcement thereof..

Nothing contained in this Addendum shall prevent the Authority from enforcing the provisions of Health and Safety Code Section 52022 or Civil Code Section 711.5, as amended from time to time, or from commencing foreclosure proceedings at any time if a default occurs under any deed of trust or mortgage.

11. Term of Addendum

The term of the provisions of the Grant Deed, including this Addendum, restricting the sale and resale of the Dwelling Unit shall be fifteen (15) years following the date of the issuance of the certificate of occupancy for the Dwelling Unit, except if the Authority releases this Addendum sooner in accordance with this Addendum.

12. Miscellaneous Provisions

(a) Independent and Severable Provisions. In the event that any provision of this Addendum is held by a court of competent Jurisdiction to be unenforceable or invalid, such holding shall not render unenforceable any other provision hereof, each provision hereof being expressly severable and independently enforceable to the fullest extent permitted by law.

(b) Further Assurances and Recordation. The Owner covenants that upon the request of the Authority, he, she or they will execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such further instruments and agreements and do so such further acts as may be necessary, desirable or proper to carry out more effectively the purpose of this Addendum and other instruments required hereunder, including, but not limited to, promissory notes of indebtedness and the Authority, CalHome, Serna and AHP Deeds of Trust. Upon the sale or other transfer of an interest subject to any of said deeds of trust on the Dwelling Unit, the Owner shall cause the purchaser or transferee to execute and acknowledge an Addendum to Grant Deed in a form acceptable to the Authority, which shall be attached to the grant deed by which the undersigned conveys title to the Dwelling Unit.

(c) Captions and Paragraph Headings. Captions and paragraph headings used herein are for convenience only and shall not be used in construing this Addendum.

(d) Waiver. No waiver by the Authority of any breach by the Owner of any covenant, restriction or condition herein contained shall be effective unless such waiver is in writing, signed by the Authority and delivered to the undersigned. The waiver by the Authority of any such breach or breaches, or the failure by the Authority to exercise any right or remedy in any and all such breach or breaches, shall not constitute a waiver or relinquishment for the future of any such covenant or condition nor bar any right or remedy of the Authority in respect of any such subsequent breach.

(e) Enforcement. The terms and provisions of this Addendum shall, without regard to technical classification and designation, be binding on Owner and any successor in interest to the

Dwelling Unit or any part thereof for the benefit and in favor of the Authority, its successors and assigns, and the County of Riverside. The Authority shall have the right, if any provisions of this Addendum are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiary of this Addendum are entitled.

By signature herein below the Owner hereby accepts and approves the foregoing, agrees to be bound by the provisions of this Addendum and the Grant Deed to which this Addendum is attached, and grants to the Authority such powers and rights that are set forth in this Addendum to Grant Deed.

“OWNER”

By: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Accepted and agreed to by the Authority this \_\_\_\_ day of \_\_\_\_\_, 2015.

HOUSING AUTHORITY OF THE  
COUNTY OF RIVERSIDE

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

[NOTARIZE SIGNATURE]

**ATTACHMENT NO. P-4**

**RESALE RESTRICTIONS**

**[Behind this page]**

GOVERNMENT RECORDING REQUESTED PURSUANT  
TO GOVERNMENT CODE SECTION 27383

RECORDING REQUESTED BY AND,  
AFTER RECORDING, RETURN TO:

Authority of the  
County of Riverside  
5555 Arlington Avenue  
Riverside, CA 92504  
Attention: Leah Rodriguez

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[SPACE ABOVE THIS LINE FOR RECORDER'S USE]

### AFFORDABLE HOUSING RESALE RESTRICTIONS

This Affordable Housing Resale Restrictions, Option to Designate Eligible Purchasers with Alternative Option to Purchase and Option to Purchase Upon Default ("Resale Restriction") is executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by the Housing Authority of the County of Riverside, a public entity, corporate and politic, in its capacity as housing successor to the former Coachella Redevelopment Agency ("Authority"), and by \_\_\_\_\_, an individual [OR indicate how title is held: \_\_\_\_\_], as initial purchaser ("Initial Purchaser") of the real property located in the City of Coachella, County of Riverside, State of California, more particularly described on Exhibit "A" attached hereto (the "Property").

### RECITALS

WHEREAS, Authority and the The Coachella Valley Housing Coalition, a California nonprofit public benefit corporation ("CVHC") entered into that certain Disposition and Development Agreement dated \_\_\_\_\_ and recorded in the Official Records of the County of Riverside ("Official Records") on \_\_\_\_\_ as Document No. \_\_\_\_\_ ("DDA") relating to, among other things, (i) the sale of certain real property by Authority to CVHC and CVHC's sale of the subdivided parcels located on such real property to qualified low income first time home buyers for an affordable sale price and the construction of single family homes pursuant to the self-help method, and (ii) the provision of financial assistance in the form of purchase money loans by the Authority to such qualified purchasers to be used to pay a portion of the purchase price for such single family homes;

WHEREAS, Authority provided a loan to Initial Purchaser in the amount of \$ \_\_\_\_\_ derived from Authority's Low and Moderate Income Housing Asset Fund ("Authority Loan") to be used to pay a portion of the purchase price for the Property by Initial Purchaser. The Authority Loan is evidenced by a Promissory Note ("Authority Promissory Note") executed by Initial Purchaser in favor of Authority dated \_\_\_\_\_ and secured

by a Deed of Trust executed by Initial Purchaser for the benefit of Authority dated \_\_\_\_\_ and recorded in the Official Records concurrently herewith ("Authority Deed of Trust").

WHEREAS, Initial Purchaser executed that certain Addendum to Grant dated \_\_\_\_\_ attached to the Grant Deed conveying the Property from CVHC to Initial Purchaser which \_\_\_\_\_ ("Addendum to Grant Deed").

WHEREAS, as additional security for the Authority Loan and in order to further assist in the development of below market rate affordable housing, the Authority and Initial Purchaser have agreed to enter into this Resale Restriction to be covenants, conditions and restrictions and equitable servitudes running with the land with respect to the Property;

WHEREAS, the purpose of this Resale Restriction is to (i) establish resale and occupancy restrictions for the residential unit on the Property, (ii) to restrict the Property with this Resale Restriction for a period of fifteen (15) years, (iii) to grant to the Authority an option to designate Eligible Purchasers, as hereafter defined, to acquire the Property, (iv) to grant to the Authority an alternative option to purchase the Property, and (v) to grant to Authority an option to acquire the Property in the event of a default by the Initial Purchaser or Owner, as hereinafter defined, of the terms of this Resale Restriction.

NOW, THEREFORE, Authority and Owner hereby declare and restrict the Property as follows:

1. Acknowledgment and Certification. Any purchaser of the Property from Initial Purchaser and any subsequent purchaser from such purchaser or successors (hereinafter collectively referred to as "Owner") shall certify his/her acknowledgment and receipt of this Resale Restriction and all the provisions and restrictions contained herein. The Purchaser shall certify his/her acknowledgment by executing the form attached hereto as Exhibit "B" and incorporated herein by this reference.

2. Residency. The Owner covenants and agrees that he/she or they will occupy the Property as his/her or their principal place of residence throughout his/her or their ownership of the Property during the "Affordability Period" (as defined in Section 3, below). The Owner shall be considered as occupying the Property as a principal place of residence if the Owner is living on the Property for at least eleven (11) months out of each calendar year. Owner shall not lease or rent the Property.

3. Restrictions on Transfer.

(a) Fifteen Year Affordability Period. For a period of fifteen (15) years measured from the date the Initial Purchaser obtains a certificate of occupancy for the single family home constructed on the Property ("Affordable Term"), any Transfer of the Property by the Initial Purchaser or any subsequent Owner shall be subject to the provisions of this Resale Restriction. Any subsequent Owner shall qualify as an Eligible Purchaser as the term is defined in Section 3(c) below.

(b) Transfer Defined. "Transfer" shall mean any sale, assignment, conveyance, lease or transfer, voluntary or involuntary, of any interest in the Property, including

an unpermitted financing or refinancing of the Property. Without limiting the generality of the foregoing, Transfer shall include (i) a transfer by devise, inheritance or intestacy to a party who does not meet the definition of a Low Income Household; (ii) a life estate; (iii) creation of a joint tenancy interest; (iv) a gift of all or any portion of the Property; (v) any voluntary conveyance of the Property; or (vi) a refinance of any mortgage loan encumbering the Property not approved in writing by Authority. Transfer shall not include transfer to a spouse in a dissolution proceeding, to a spouse who marries the Owner after the Owner has acquired title to the Property, or to an Owner who originally acquired title to the Property as a co-owner with a spouse, who acquires the deceased spouse's interest in the Property, upon a death of that spouse.

(c) Eligible Purchaser Defined. "Eligible Purchaser" shall mean a household that meets all of the following qualifications:

(i) A household who intends to occupy the Property as its principal place of residence; and

(ii) A household with an annual income that does not exceed eighty percent (80%) of the median family income for the County of Riverside, as annually estimated by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937 and as published from time to time by the California Department of Housing and Community Development, based on the applicable household size, as adjusted annually. Income is subject to verification by the Authority.; and

(iii) A household that pledges not to lease or rent the Property during the fifteen (15) year Affordable Term.

4. Maintenance and Inspection of Property. The Owner shall maintain the Property and the improvements thereon in good condition and repair throughout the Owner's period of ownership of the Property. In addition, upon Authority's receipt of a notice of intent to transfer as detailed in Section 5 below, Authority shall be given the right to enter and to inspect the Property to determine whether any violations of applicable building, plumbing, electric, fire, housing or other applicable codes exist and whether the Property has been maintained in good condition, upon reasonable written notice of not less than five (5) days. Authority shall notify Owner with regard to any noted code violations and maintenance deficiencies (collectively, the "Deficiencies"), and Owner shall cure the Deficiencies in a reasonable manner acceptable to the Authority within thirty (30) days of being notified in writing of the result of the inspections. Should the Owner fail to cure all the Deficiencies prior to the scheduled date for the close of escrow, at the option of the Authority or an Eligible Purchaser as defined in Section 3 above, escrow may be closed, title passed and money paid to the Owner subject to the condition that such funds as are necessary to pay for curing the Deficiencies, based upon written estimates obtained by the Authority, shall be withheld from the money due the Owner and held by the escrow holder for the purpose of curing the Deficiencies. The Authority and/or the Eligible Purchaser shall cause the Deficiencies to be cured and, upon certification of completion of work by the Authority, the escrow holder shall utilize such funds to pay for said work. Any remaining funds shall be paid to the Owner.

5. Notice of Transfer. In the event the Owner intends to Transfer the Property, the Owner shall promptly notify the Authority in writing of such intent. Prior to executing any documents effecting such a transfer, the Owner shall send the notice (hereinafter referred to as the "Notice of Intent to Transfer,") in the form attached hereto as Exhibit "D" and incorporated herein by this reference by certified mail return receipt requested, to the Housing Authority of the County of Riverside, 5555 Arlington Avenue, Riverside, California 92504, Attention: Senior Housing Manager, or such other address as the Authority may designate. The Owner has the right to withdraw the Notice of Intent to Transfer prior to the opening of escrow to purchase the Property.

6. Authority's Options to Designate an Eligible Purchaser or Acquire the Property. In the event the Owner wishes to sell the Property, Owner shall use best efforts and shall have the right to sell the Property to an Eligible Purchaser for a sales price that does not exceed the Maximum Sales Price, as defined in Section 8, below. In the event the Owner proposes to Transfer the Property to a purchaser or a transferee who is not an Eligible Purchaser or for a sales price that exceeds the Maximum Sales Price, the Authority shall have the rights of first refusal set forth in subparagraphs (a) and (b), below. The Authority shall have the right but not the obligation to exercise either right in its sole and absolute discretion.

(a) Designation of Eligible Purchaser. Upon receipt of the Notice of Intent to Transfer, the Authority is hereby granted a right of first refusal (the "ROFR for Eligible Purchaser"), the consideration for which is hereby acknowledged, but not the obligation, to designate an Eligible Purchaser to purchase the Property in the manner set forth hereunder, if the Owner's proposed transferee is not an Eligible Purchaser.

(b) Right of First Refusal to Purchase. Upon receipt of the Notice of Intent to Transfer, the Authority is hereby granted the right, the consideration for which is hereby acknowledged, but not the obligation, to purchase the Property instead of designating an Eligible Purchaser (the "ROFR for Authority Purchase").

(c) Within thirty (30) days of receipt by the Authority of the Notice of Intent to Transfer, the Authority shall: (1) determine whether the proposed transferee is an Eligible Purchaser (2) notify the Owner of the Maximum Sales Price, as defined in Section 8 herein, to be paid for the Property; (3) inspect the Property as described in Section 4, above; and (4) notify the Owner regarding whether or not the Authority intends to exercise its ROFR for Eligible Purchaser or ROFR for Authority Purchase. The notification to the Owner regarding the option to designate an Eligible Purchaser or ROFR for Authority Purchase shall be sent by certified mail, return receipt requested.

(d) If the Authority exercises the ROFR for Eligible Purchaser to designate an Eligible Purchaser, it shall cause an escrow to be opened within thirty (30) days following such notification to the Owner, and it shall cause the Property to be purchased by its designated Eligible Purchaser for the Purchase Price (defined in Section 6(f)) within ninety (90) days following the receipt by the Authority of the Owner's Notice of Intent to Transfer.

(e) If the Authority exercises the ROFR for Authority Purchase, then within thirty (30) days following such notification to the Owner, an escrow shall be opened with an escrow company mutually acceptable to Authority and Owner for the conveyance of the Property to the Authority. The Authority shall deposit the Purchase Price (as defined in Section 6(f) below) in escrow not later than one (1) business day prior to the anticipated close of escrow date. The Authority's obligation to close escrow shall be subject to the Authority's approval of a then-current preliminary title report and, at Authority's option, environmental and other site testing. Any exceptions shown on such preliminary title report created on or after the Owner's acquisition of the Property shall be removed by Owner at its sole expense prior to the close of escrow pursuant to this Section 6(b) unless such exception(s) is(are) accepted by Authority in its reasonable discretion; provided, however, that Authority shall accept the following exceptions to title: (i) current taxes not yet delinquent, (ii) matters affecting title existing on the date of Owner's acquisition of the Property, (iii) any First Lien, as defined below (iv) this Resale Restriction, and (v) matters shown as printed exceptions in the standard form CLTA owner's policy of title insurance. The parties shall each be responsible for one-half of the escrow fees, documentary transfer taxes, recording fees and any other costs and expenses of the escrow, and the Owner shall be responsible for the costs of a CLTA owner's policy of title insurance. Authority shall have thirty (30) days after exercise of the Option to enter upon the Property to conduct any tests, inspections, investigations, or studies of the condition of the Property. Owner shall permit the Authority access to the Property for such purposes. Escrow shall close promptly after acceptance by Authority of the condition of title and the physical and environmental condition of the Property, and in no event later than ninety (90) days after the date that the Authority has exercised this right to purchase the Property. Until the close of escrow, the terms of this Resale Restriction and the documents executed and recorded pursuant hereto shall remain in full force and effect.

(f) Purchase Price. In the exercise of a sale under Subsections (a) or (b) above, the purchase price payable (by the Eligible Purchaser or the Authority, as the case may be) to the Owner for the Property (the "Purchase Price") shall be the greater of (a) the Maximum Sales Price, as defined in Section 8 hereof, or (b) the sum of the current balance of any First Lien ("First Lien" means the lien of the institution making the loan to the Owner for the purchase of the Property; and/or any refinancings approved by the Authority; and/or any new purchase money deed of trust securing a loan to finance the purchase of the Property by an Eligible Purchaser for a sales price that does not exceed the Maximum Sales Price, as determined in accordance with this Resale Restriction, that occurs subsequent to the initial purchase of the Property), plus the Owner's share of escrow, title and other closing costs. The rights of first refusal created hereby shall be irrevocable by Owner and shall be binding upon the successors and assigns of Owner. The Authority shall have the right of specific performance to enforce the terms of these rights of first refusal.

(g) Term for the Rights of First Refusal The term of the rights of first refusal ("Term") shall exist for the Affordable Term (defined in Section 3(a) above) , and shall automatically expire upon the expiration or earlier termination of the Affordable Term, subject to Section 7, below.



7. Non-exercise of Rights of First Refusal.

(a) In the event the Authority does not timely exercise its rights of first refusal as set forth in Section 6, above, Owner shall thereafter have the right to Transfer the Property for its Fair Market Value to any buyer without the Resale Restriction; provided, however, upon Transfer pursuant to this Section 7, Owner shall immediately pay in full to the Authority the Note Amount (as such term is defined in the Promissory Note) plus, for any sale which occurs during the Affordable Term, the Owner shall pay to the Authority the "Lender's Equity Share" of the Owner's "Equity", as defined in Paragraph 5 of the Promissory Note. Upon payment in full of amounts owing to the Authority, the Authority shall cancel and deliver the Authority Loan Promissory Note to the Owner and shall reconvey the Authority Loan Deed of Trust, and Authority shall release these Resale Restriction from the Property (the "Notice of Release") The Authority shall record the Notice of Release with the County Recorder of the County of Riverside.

8. Determination of Maximum Sales Price.

(a) Calculation of Maximum Sales Price. In the event the Property is transferred to an Eligible Purchaser, the amount of money and/or other consideration that the Owner may receive for any transfer of the Property shall be called the "Maximum Sales Price." The Maximum Sales Price shall be the purchase price which would result in a Monthly Housing Cost, as determined by the Authority, which does not exceed the product of one-twelfth (1/12th) of thirty percent (30%) times seventy (70%) of the Riverside County median family income for the County of Riverside, as annually estimated by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937 and as published from time to time by the California Department of Housing and Community Development, as adjusted from time to time and as further adjusted for household size appropriate for the Property, but does not exceed thirty percent (30%) of the gross income of the household. In the case where there is no Owner of the Property, the Authority shall calculate the principal and interest payments assuming a five (5%) percent down payment and that the annual interest rate is the then Fannie Mae 90-day delivery rate.

(b) Insurance Coverage. Insurance premiums shall be the average of three quotes obtained by the Authority for the coverage required for any First Lien holder. The deductible for the insurance shall not exceed the sum of Five Hundred Dollars (\$500.00) per occurrence.

(c) Appropriate Household Size. Household size appropriate for the Property means two (2) persons for a one-bedroom house, three (3) persons for a two-bedroom house, four (4) persons for a three-bedroom house and five persons (5) for a four-bedroom house.

(d) Monthly Housing Cost. As used herein "Monthly Housing Cost" means, for a Low Income Household purchasing the Property, all of the following associated with the Property, estimated or known as of the date of the proposed sale of the Property: (i) principal and interest payments on a mortgage loan, and any loan insurance fees associated therewith; (ii) property taxes and assessments; (iii) fire and casualty insurance covering replacement value of property improvements (to the extent not covered by the homeowner association encompassing

the Property); and (iv) any homeowner association fees. Monthly housing cost of an Owner shall be an average of estimated costs for the next twelve (12) month period as of the date of the Notice of Intent to Transfer.

(e) Capital Improvements. The Maximum Sales Price shall be increased by a sum equal to Capital Improvements to the Property, approved by the Authority, in writing, prior to their installation, during the term of the Owner's ownership (as further defined in the Promissory Note) and reasonable closing costs and marketing expenses as approved by the Authority.

(f) Maximum Sales Price Requests. At any time during the term of this Resale Restriction, an Owner may obtain an estimated Maximum Sales Price for the Property from the Authority, by requesting the same in writing, provided that such Maximum Sales Price may not be obtained more frequently than every ninety (90) days during the term of this Resale Restriction. The Authority shall use its diligent efforts to respond to an Owner's request within sixty (60) days.

9. Defaults and Remedies. Upon a violation of any of the provisions of this Resale Restriction or any other "Default" as defined in the Promissory Note, the Authority shall give written notice to the Owner by certified mail, return receipt requested, specifying the nature of the violation. If the violation is not corrected to the satisfaction of the Authority within a reasonable period of time, not longer than thirty (30) days after the date the notice is mailed, or within such further time as the Authority determines is necessary to correct the violation, the Authority may declare a default under this Resale Restriction. Upon the declaration of a default, the Authority may apply to a court of competent jurisdiction for specific performance of the obligations of this Resale Restriction, for an injunction prohibiting a proposed transfer in violation of this Resale Restriction, for a declaration that a transfer in violation of the provisions of this Resale Restriction is void, or for any such other relief at law or in equity as may be appropriate. In addition, the Authority may foreclose under its Promissory Note and Deed of Trust, as such terms are defined in Section 19 of this Resale Restriction. In the event of a default by the Owner, and/or by the Owner's transferee in those circumstances where a transfer has occurred in violation of this Resale Restriction, the Owner and/or the Owner's transferee shall hold the Authority and the Owner and their respective employees or other agents harmless and reimburse the expenses, legal fees and costs for any action the Authority takes in enforcing the provisions of this Resale Restriction.

10. Authority's Option to Purchase Upon Default. In addition to the remedies provided the Authority in Section 9, above, the Authority has and is hereby granted the option ("Default Option") to purchase the Property effective upon the declaration of a written default by the Authority and the expiration of any applicable cure period without a cure of the default by Owner. The Authority's option to purchase may be exercised upon an uncured default under this Resale Restriction on the following terms and conditions:

(a) Grant of Default Option. The Owner hereby grants to Authority an option ("Default Option"), the consideration for which is hereby acknowledged, to purchase the Property on the terms and conditions set forth herein. The purchase price payable by the Authority to the Owner for the Property (the "Default Option Price") shall be the greater of (a)

the Maximum Sales Price, as defined in Section 8 hereof, or (b) the sum of the current balance of any First Lien ("First Lien" means the lien of the institution making the purchase money loan to the Owner for the purchase of the Property and/or any Authority-approved refinancings), plus the Owner's share of escrow, title and other closing costs. The Option created hereby shall be irrevocable by Owner and shall be binding upon the successors and assigns of Owner. The Authority shall have the right of specific performance to enforce the terms of this Default Option.

(b) Term for Default Option. The term of the Default Option ("Default Option Term") shall commence on the date of this Resale Restriction and shall expire upon the expiration or termination of the Affordable Term subject to Section 7(b) above.

(c) Exercise of Default Option. The Default Option may be exercised by Authority's delivery to Owner of written notice of such exercise ("Exercise Notice") only upon the occurrence of an uncured Default. In the event that the Authority exercises the Default Option, but the Owner cures the default of the First Lien prior to the sale of the Property to the Authority, the Authority's exercise of the Default Option shall be deemed revoked. The revocation of the exercise of the Default Option shall not terminate the Default Option or preclude the Authority from subsequently exercising the Default Option upon a later event of default under the First Lien.

(d) Escrow and Completion of Sale. Within five (5) days after the Authority has exercised the Default Option, or as soon thereafter as reasonably practicable, an escrow shall be opened with an escrow company mutually acceptable to Authority and Owner for the conveyance of the Property to the Authority. The Authority shall deposit the Default Option Price in escrow not later than one (1) business day prior to the anticipated close of escrow date. The Authority's obligation to close escrow shall be subject to the Authority's approval of a then-current preliminary title report and, at Authority's option, environmental and other site testing. Any exceptions shown on such preliminary title report created on or after the Owner's acquisition of the Property shall be removed by Owner at its sole expense prior to the close of escrow pursuant to this Section 10(d) unless such exception(s) is (are) accepted by Authority in its reasonable discretion; provided, however, that Authority shall accept the following exceptions to title: (i) current taxes not yet delinquent, (ii) matters affecting title existing on the date of Owner's acquisition of the Property, (iii) any First Lien, (iv) the Restriction, and (v) matters shown as printed exceptions in the standard form CLTA owner's policy of title insurance. The parties shall each be responsible for one-half of the escrow fees, documentary transfer taxes, recording fees and any other costs and expenses of the escrow, and the Owner shall be responsible for the costs of a CLTA owner's policy of title insurance. Authority shall have thirty (30) days after exercise of the Option to enter upon the Property to conduct any tests, inspections, investigations, or studies of the condition of the Property. Owner shall permit the Authority access to the Property for such purposes. The Authority shall indemnify, defend, and hold harmless Owner and its officers, directors, shareholders, partners, employees, agents, and representatives from and against all claims, liabilities, or damages, and including expert witness fees and reasonable attorney's fees and costs, caused by Authority's activities with respect to arising out of such testing, inspection, or investigatory activity on the Property. Escrow shall close promptly after acceptance by Authority of the condition of title and the physical and environmental condition of the Property, and in no event later than ninety (90) days after the date

that the Authority has exercised the Option. Until the close of escrow, the terms of the Resale Restriction and the documents executed and recorded pursuant thereto shall remain in full force and effect.

11. Non-liability of the Authority. In no event shall the Authority become in any way liable or obligated to the Owner or to any successor-in-interest of the Owner by reason of its Options set forth in Section 6 or its Default Option set forth in Section 10 herein; nor shall the Authority be in any way obligated or liable to the Owner or any successor-in-interest of the Owner for the Authority's failure to exercise such Options or Default Option.

12. Binding on Successor and Assigns. This Resale Restriction shall bind, and the benefit hereof shall inure to the Owner, and to his/her or their respective heirs, legal representative executors, successors in interest and assigns, and to the Authority and its successors except as provided in Section 3. Provided, however, upon a release of this Resale Restriction pursuant to Section 7, above, this Resale Restriction shall not thereafter reattach.

13. Reserved.

14. Invalid Provisions. If any one or more of the provisions contained in this Resale Restriction shall for any reason be held to be invalid, illegal or unenforceable in any respect then such provision or provisions shall be deemed severable from the remaining provisions contained in this Resale Restriction, and this Resale Restriction shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

15. Controlling Law. The terms of this Resale Restriction shall be interpreted under the laws of the State of California.

16. Notices. All notices required herein shall be sent to the Authority by certified mail return receipt requested, as follows:

Housing Authority for the County of Riverside  
5555 Arlington Avenue  
Riverside, CA 92504  
Attention: Senior Housing Manager

or such other address that the Authority may subsequently request in writing. Notices to the Owner shall be sent by certified mail return receipt requested to the Property address.

17. Interpretation of Restrictive Covenants. The terms of this Resale Restriction shall be interpreted to encourage to the extent possible that the Maximum Sales Price of and mortgage payments for the Property remain affordable to households earning eighty percent (80%) or below of the area medium income, as adjusted annually and as further adjusted for household size.

18. Non-Discrimination Covenants. Owner covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof or interest therein, there shall be no discrimination against or segregation of any person, or group of persons, on account of sex, sexual orientation, marital status, race, color, creed, religion, ancestry

or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property nor shall Owner, itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Property. All deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

a. In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

b. In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

c. In contracts: "There shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee itself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the land."

In addition to the obligations and duties of Owner set forth herein, Owner shall, upon notice from Authority, promptly pay to Authority all fees and costs, including administrative and attorneys' fees, incurred by Authority in connection with responding to or defending any discrimination claim brought by any third party and/or local, state or federal government entity,

arising out of or in connection with this Agreement, Agreement Containing Covenants, Resale Restrictions and/or the Addendum to Grant Deed (each attached hereto).

19. Promissory Note in Favor of Authority.

(a) Execution by Owner and Calculation of Principal Amount. During the Affordable Term, Owner shall be obligated to execute a promissory note in favor of the Authority, substantially in the form attached hereto as Exhibit "E" and incorporated herein by this reference (the "Promissory Note"), to ensure the continued affordability of the Property. The principal amount of the Promissory Note shall be an amount equal to the difference between (i) the Fair Market Value, as defined in Section 19(b) below, of the Property at the time of the initial purchase of the Property, and (ii) the initial purchase price of the Property. Such amount will not actually be paid by the Authority to the Owner, but will be used to pay a portion of the costs to construct the improvements located on the Property pursuant to the DDA and represents the subsidy received by the Owner as a result of purchasing the Property at a price below its Fair Market Value. No payments will be due under the Promissory Note except in the case of an uncured Default, as defined in the Promissory Note. The Promissory Note shall be secured by a second lien deed of trust which encumbers the Property, substantially in the form attached hereto as Exhibit "F" and incorporated herein by this reference (the "Deed of Trust"). The Owner's obligation to repay the Promissory Note may be assumed by a subsequent Owner of the Property who acquires the Property through a Transfer approved by the Authority.

(b) Fair Market Value. For purposes of this Resale Restriction, "Fair Market Value" shall be determined based on the assumption that no resale restrictions are applicable to the Property and the Property is freely alienable. The Fair Market Value of the Property shall be the value as determined by an appraisal conducted by or for the Authority, such appraisal shall be conducted in accordance with the appraisal standards of Fannie Mae or FHLMC, as they shall be amended from time to time during the term of this Resale Restriction, without regard to the affordability restrictions set forth herein.

(c) Subordination of the Deed of Trust. The Authority shall execute such subordination agreements subordinating the Deed of Trust securing the Promissory Note as may be reasonably requested by the holder of a First Lien. Any such subordination agreements shall be in a form approved by the Authority in its reasonable discretion.

20. Written Consent of Authority Required Before Transfer. During the Affordable Term, the Property, and any interest therein, shall not be conveyed by any Transfer or refinancing, except as expressly provided in this Resale Restriction and except with the express written consent of the Authority.

21. Encumbrances.

(a) Priority of Restriction. The provisions of this Resale Restriction shall be subordinate to any First Lien on the Property held by the lender.

(b) Effect of Foreclosure. Subject to the receipt of any required approvals from the First Lien holder, upon the expiration of the statutory period after the receipt of a filed and unrestricted ninety (90) day notice of default concerning any First Lien, including all

extensions of such notice, in the manner and in the time which is required to be given to subordinate lenders under California Civil Code Section 2924b (or successor code section), the Authority may perform one of the following actions, at its sole election:

(i) It may cure the default under the terms of the First Lien on or before the fifth day after the filing of a Notice of Sale by the holder of the First Lien, and shall thereafter diligently pursue its remedies, including without limitation foreclosure, pursuant to the Promissory Note and Deed of Trust in favor of the Authority; or

(ii) It may acquire the Property, and shall, pay off the full amount due under the First Lien at the close of escrow for the acquisition of the Property; or

(iii) It may allow the foreclosure to proceed, upon the completion of the foreclosure or recordation of a deed in lieu of foreclosure (provided that such deed in lieu of foreclosure is made and recorded no earlier than six (6) days after the filing of a notice of sale of the Property pursuant to California Civil Code Section 2924b, et seq., or successor code sections).

(c) Request for Notice of Default. The Authority shall cause a Request for Notice to be recorded on the Property subsequent to the recordation of any First Lien deed of trust or mortgage requesting a statutory notice of default as set forth in California Civil Code Section 2924b. The recordation of the Request for Notice shall not be deemed to waive the Authority's right to receive any other notices required by statute or otherwise.

(d) Additional Encumbrances. The Initial Purchaser and any subsequent owner subject to these Resale Restrictions may not encumber the Property without the prior written consent of the Authority.

22. Monitoring. The Owner shall annually report to the Authority, in writing, confirming that they continue to reside in the Property, have not leased or rented the Property, providing evidence of insurance, evidence of the payment of taxes, if not impounded, and any and all other information reasonably requested by the Authority to assure compliance with the terms of the Resale Restriction on a form or forms prepared by the Authority. Within fifteen (15) days of a written request from the Authority to the Owner, Owner shall respond with all information requested to allow the Authority complete its monitoring responsibilities under the terms of the Resale Restriction. Failure to completely and timely comply with requests shall be deemed a material default under the terms of the Resale Restriction.

23. Right of First Lien Holder to Condemnation Proceeds and Insurance Proceeds. Nothing contained in this Resale Restriction shall impair the right of any First Lien holder to first priority to any and all hazard insurance proceeds and/or condemnation awards, as set forth in the loan documentation of the First Lien Holder, to the extent of the First Lien and any and all costs, interest and fees incurred or accrued under the First Lien at the time of the settlement.

N WITNESS WHEREOF, the parties have executed this Resale Restriction on or as of the date first written above.

HOUSING AUTHORITY FOR THE  
COUNTY OF RIVERSIDE

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Its: \_\_\_\_\_

APPROVED AS TO FORM:

OWNER:  
THE COACHELLA VALLEY HOUSING  
COALITION, a California nonprofit public benefit  
corporation

\_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_



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 )  
 ) ss.  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me,  
\_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name 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 of Notary Public

Place Notary seal above

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 )  
 ) ss.  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me,  
\_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name 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 of Notary Public

Place Notary seal above

**EXHIBIT "A"**

**Property Description**

**EXHIBIT "B"**

**County of Riverside**

**ACKNOWLEDGMENT OF  
AFFORDABLE RESTRICTIVE COVENANTS**

The undersigned acknowledges as follows:

1. We have purchased the property at \_\_\_\_\_, Riverside, California designated as:
2. There is recorded against this property a certain Affordable Housing Resale Restrictions recorded in the Official Records of the County of Riverside, State of California on \_\_\_\_\_, \_\_\_\_\_, as Instrument No. \_\_\_\_\_ ("Resale Restriction").
3. We meet the current requirements established by the Authority in order to be deemed an "Eligible Purchaser" under Exhibit "C" of the Resale Restriction (attached).
4. We have read and fully understand the Resale Restriction and have had the opportunity to ask Authority staff any questions we have about the document.
5. We understand that the Resale Restriction runs with the land and is binding on us when we decide to transfer or sell the property, and we agree to comply fully with its terms.

OWNER(S):

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

Dated: \_\_\_\_\_

## **EXHIBIT "C"**

### **Program Requirements for Eligible Purchaser(s)** (effective \_\_\_\_\_)

To qualify as an "Eligible Purchaser" for an affordable home under the Program, the proposed purchaser(s) shall meet the following requirements:

- 1) The proposed purchaser(s) shall occupy the Property as provided in Section 2 of this Resale Restriction.
- 2) The proposed purchaser's household income at the time of the purchase shall not exceed eighty percent (80%) of the median family income for the County of Riverside, as annually estimated by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937 and as published from time to time by the California Department of Housing and Community Development, based on the applicable household size. The proposed purchaser, and no member of any household which comprises proposed purchaser, may own any real property at the time of closing.
- 3) This Exhibit "C" is hereby made a part of the Resale Restriction and the income and asset limitation contained in this paragraph 2 shall bind all successors and assigns of proposed purchaser and all future owners of the Property for the term of the Resale Restriction, except as provided in Section 7 of the Resale Restriction. The proposed purchaser shall provide appropriate documentation (e.g., recent tax returns) to the Authority prior to the purchase so that the Authority can verify the income and confirm the proposed purchaser's eligibility.
- 4) The proposed purchaser is aware that the sales price of the Property and the eligibility to refinance the Property is limited as set forth in this Resale Restriction.

**EXHIBIT "D"**

**NOTICE OF INTENT TO TRANSFER**

NOTICE OF INTENT TO TRANSFER MUST BE DELIVERED TO THE RIVERSIDE AUTHORITY PRIOR TO PROCEEDING WITH ANY TRANSFER OF THE PROPERTY:

From: \_\_\_\_\_ ("Owner")

To: Riverside Authority  
5555 Arlington Avenue  
Riverside, CA 92504  
Attention: Senior Housing Manager

Re: \_\_\_\_\_ (street address)  
Coachella, California (the "Property")

*Circle appropriate words:* Owner desires to [sell, convey, transfer by inheritance or devise, lease, gift, otherwise transfer] the Property.

**Proposed Transferee:** \_\_\_\_\_

**Income of Proposed Transferee:** \_\_\_\_\_

**Household Size of Proposed Transferee:** \_\_\_\_\_

**Proposed Transfer Price:** \_\_\_\_\_

If the Authority has a program to help locate a Moderate Income purchaser, does the Owner want the Authority to help look for a Moderate Income purchaser to buy the Property?

Yes: \_\_\_\_\_ No: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Owner

(\_\_\_\_) \_\_\_\_\_  
Daytime Telephone Number of Owner

**EXHIBIT "E"**

**Pro Forma Promissory Note**

**EXHIBIT "F"**

**Pro Forma Deed of Trust**



The Desert Sun  
750 N Gene Autry Trail  
Palm Springs, CA 92262  
760-778-4578 / Fax 760-778-4731

State Of California ss:  
County of Riverside

Advertiser:

RIVERSIDE COUNTY ECONOMIC  
PO BOX 1180  
RIVERSIDE CA 925021

2000810766

I am over the age of 18 years old, a citizen of the United States and not a party to, or have interest in this matter. I hereby certify that the attached advertisement appeared in said newspaper (set in type not smaller than non pariel) in each and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

Newspaper: .The Desert Sun

8/2/2015 8/9/2015

I acknowledge that I am a principal clerk of the printer of The Desert Sun, printed and published weekly in the City of Palm Springs, County of Riverside, State of California. The Desert Sun was adjudicated a newspaper of general circulation on March 24, 1988 by the Superior Court of the County of Riverside, State of California Case No. 191236.

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 9th day of August, 2015 in Palm Springs, California

Declarant's Signature

No 1129  
NOTICE OF JOINT PUBLIC HEARING BY THE HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE AND THE COUNTY OF RIVERSIDE REGARDING THE PROPOSED DISPOSITION AND DEVELOPMENT AGREEMENT BY AND BETWEEN THE HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE AND THE COACHELLA VALLEY HOUSING COALITION, TO PROVIDE FINANCIAL ASSISTANCE AND CONVEY REAL PROPERTY KNOWN AS ASSESSOR'S PARCEL NUMBERS 768-361-010 through -012, and 768-362-001 through -018, and 768-371-001 through -019, and 768-372-015 LOCATED IN THE CITY OF COACHELLA, CALIFORNIA, FOR THE DEVELOPMENT OF THE TIERRA BONITA 39 HOMEOWNERSHIP PROJECT AND USE THEREOF

NOTICE IS HEREBY GIVEN THAT the Housing Authority of the County of Riverside's ("Authority") Board of Commissioners ("BOC") and the County of Riverside's ("County") Board of Supervisors ("BOS") have scheduled a Joint Public Hearing on August 18, 2015, at the hour of 9:00 a.m. or as soon thereafter as the matter can be heard, in the Board Chambers, County Administrative Center, 4080 Lemon Street 1st Floor, Riverside, CA 92501, pursuant to Section 33433 of the California Health and Safety Code ("Section 33433"), for the purpose of considering a proposed Disposition and Development Agreement ("Agreement") by and between the Authority and The Coachella Valley Housing Coalition, a California nonprofit public benefit corporation ("CVHC"). The proposed Agreement provides for the provision of financial assistance and conveyance by the Authority to CVHC of certain real property consisting of approximately 9.308 acres, identified as Assessor's Parcel Numbers 768-361-010 through -012, and 768-362-001 through -016, and 768-371-001 through -019, and 768-372-015, located at Avenue 53 and Calle Leandro in the City of Coachella ("Site") and the development thereon of 39 affordable for sale single-family homes, with related infrastructure and parking. The Authority and County will be conducting a public hearing on this matter pursuant to California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.) ("Law").

The City of Coachella, as the appropriate lead agency under the California Environmental Quality Act (CEQA), prepared and adopted the Initial Study Checklist/Mitigated Negative Declaration under Resolution No. 2004-62 for Tract 31158 on August 25, 2004. The lead agency determined through the Initial Study that all issues of environmental concern can be adequately mitigated to a level of less than significant. Notice of the study and Mitigated Negative Declaration was published in accordance with the CEQA. Acting in its limited role as a responsible agency under CEQA, the Authority will review and consider the information contained in the record of decision from the City of Coachella during the Joint Public hearing.

The Joint Public Hearing will be held to consider the proposed provision of financial assistance and the proposed conveyance of the Site by the Authority to CVHC for the development of the Tierra Bonita 39 Homeownership Project, as described in this Notice.

The following documents are available for public inspection and copying during regular business hours (8:00 a.m. to 5:00 p.m., Monday through Friday) at the offices of the Authority located at 44-199 Monroe Street, Suite B, Indio, CA 92201:

1. A copy of the proposed Agreement; and
2. A Summary Report prepared pursuant to Section 33433 which describes and specifies:
  - a. The costs to be incurred by the Authority under the proposed Agreement;
  - b. The estimated value of the interests to be conveyed by the Authority to CVHC pursuant to the Agreement at the highest and best uses permitted under the plan;
  - c. The estimated value of the interest to be conveyed at the use and with the conditions, covenants, and development costs required by the Agreement;
  - d. The consideration to be paid to the Authority pursuant to the transaction;
  - e. An explanation of the difference, if any, between the consideration to be paid to the Authority under the transaction, and the fair market value at the highest and best use consistent, with the plan; and
  - f. An explanation of why the conveyance and development of the Site will assist in the elimination of blight.

At any time before the date and time set forth above for the Joint Public Hearing by the Authority and County, any written comments or objections to the proposed Agreement may be filed with the County Clerk. Comments may also be submitted during such period on the other documents referred to in this Notice. All persons wishing to question, comment, object to, or be heard on any or all such matters at the Joint Public Hearing will be given an opportunity to appear and be so heard. If you later desire to challenge actions of the County or Authority in connection with these actions, you could be limited to raising issues you have raised at or before the public hearing.

Any interested person wishing to comment may submit written comments attention to Leah Rodriguez, Housing Specialist, by August 13, 2015, at the Authority offices listed above, or may appear and be heard at the time of the Joint Public Hearing on August 18, 2015.

Published: 8/2, 8/9/2015

8-18-15  
9.1  
10.4