

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 3.13
(ID # 17753)

MEETING DATE:

Tuesday, March 29, 2022

FROM : HOUSING AND WORKFORCE SOLUTIONS:

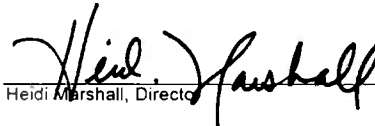
SUBJECT: HOUSING AND WORKFORCE SOLUTIONS (HWS): Adoption of Resolution No. 2022-001, Delegating Authority to the Director, Assistant Director, and Deputy Director of Housing and Workforce Solutions to Approve and Execute Subordination Agreements Relating to Down Payment Assistance, Rehabilitation Assistance, and Other Affordable Housing Loan Programs that do not Exceed \$75,000 and are Funded with Community Development Block Grant, Home Investment Partnerships Program, Neighborhood Stabilization Program, Department of Housing and Community Development CalHome, or Department of Housing and Community Development Permanent Local Housing Allocation Funds, and Approve the Forms of the Subordination Agreements; All Districts. [\$0]; Not a Project Under CEQA

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the delegation of authority to the Director, Assistant Director, Deputy Director of HWS to approve and execute subordination agreements relating to existing affordable housing loans not exceeding \$75,000, as set forth in the attached Resolution No. 2022-001, is not a project under California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15060(c) (3) and Section 15378 (b)(5);

Continued on page 2

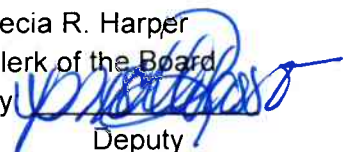
ACTION:Policy


Heidi Marshall, Director 12/16/2021

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: March 29, 2022
xc: HWS

Kecia R. Harper
Clerk of the Board
By 
Deputy

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2. Adopt Resolution No. 2022-001, Delegating Authority to the Director, Assistant Director, and Deputy Director of Housing and Workforce Solutions to Approve and Execute Subordination Agreements Relating to Down Payment Assistance, Rehabilitation Assistance, and Other Affordable Housing Loan Programs that do not Exceed \$75,000 and are Funded with Community Development Block Grant, Home Investment Partnership Program, Neighborhood Stabilization Program, Department of Housing and Community Development CalHome, or Department of Housing and Community Development Permanent Local Housing Allocation Funds, and any future homebuyer and homeowner repair program funded with the aforementioned funds;
3. Approve the attached forms of the Subordination Agreements;
4. Authorize the Director, Assistant Director, or Deputy Director of HWS to execute subordination agreements, conforming in form and substance to one of the attached Subordination Agreements, pursuant to the authority delegated in Resolution No. 2022-001, and take all necessary steps to implement the subordination agreements including, but not limited to, signing subsequent essential and relevant documents, subject to approval as to form by County Counsel; and
5. Direct staff to file the attached Notice of Exemption within five (5) business days of approval.

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MINUTES OF THE BOARD OF SUPERVISORS

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment: No	
			For Fiscal Year: 2021/22	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The County of Riverside (County) Board of Supervisors approved the execution of affordable housing loan agreements (Loans) between the County and individual homeowners in connection with various down payment and rehabilitation assistance loan programs including, but not limited to, the First Time Home Buyer Program, Home Repair Loan Program, Enhanced Home Repair Loan Program, Home Improvement Program, Mobile Home Tenant Loan Assistance Program, Fee Land Mobile Home Loan Program, Neighborhood Stabilization Homeownership Program, Neighborhood Stabilization Program 1 Homebuyer, Neighborhood Stabilization Program 3 Homebuyer, and other affordable housing loan programs administered by the County's Housing and Workforce Solutions (HWS). The aforementioned loan programs are funded with Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), Neighborhood Stabilization Program (NSP), California Department of Housing and Community Development (HCD) CalHome Funds or HCD Permanent Local Housing Allocation (PLHA) Funds and any future homebuyer and homeowner repair program funded with the aforementioned funds.

The Loans are secured by recorded deeds of trust and do not exceed \$75,000 per homeowner, with the County in a subordinated second position and, in a few cases, third position to the senior financing loans.

Since mortgage interest rates are low, some individual homeowners desire to refinance their existing senior loan and the County is requested to execute a standard subordination agreement, re-subordinating the Loans to the new senior loan with better terms.

To facilitate implementation of the Loans, increase program efficiency, and save administrative costs, staff recommends that the Board of Supervisors delegate authority to the Director, Assistant Director, and Deputy Director of HWS to approve and execute subordination

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STATE OF CALIFORNIA**

agreements relating to Loans that do not exceed \$75,000 and are funded with HCD CalHome, PLHA, CDBG, HOME, or NSP funds provided the following conditions are satisfied: (i) the priority of the deed of trust securing the Loan remains the same or is improved, (ii) the Loan is not subordinated to an amount greater than the existing senior loan, and (iii) County Counsel approves the subordination agreement as to form. Staff also recommends that all subordination agreements conform in form and substance to one of the forms of Subordination Agreement attached hereto or any other form first approved in writing by County Counsel. The delegation of authority recommended herein by staff will greatly benefit low- and moderate-income families within the County and ensure continued affordability of their homes.

The Board of Supervisors previously approved a similar resolution, Resolution No. 2015-005, Minute Order 3.11 on April 28, 2015, delegating the Assistant County Executive Officer/EDA, authority to approve subordination requests for the various housing programs. However, EDA was restructured, and the Department of Housing and Workforce Solutions (HWS) was formed and necessitates an updated resolution to reflect this change.

The delegation of authority to the Director, Assistant Director and Deputy Director of HWS to approve and execute subordination agreements in connection with existing affordable housing loans, as more specifically described in Resolution No. 2022-001, is not a project under California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15378(b)(5), because it is a purely administrative activity of the government ensuring sustained long-term affordability for homeowners that will not result in direct or indirect physical changes to the environment. Based on the aforementioned, County HWS staff has determined that the delegation of authority to approve and execute subordination agreements is also not an activity subject to CEQA pursuant to State CEQA Guidelines Section 15060(c)(3). Even if a determination is made that the proposed activity is a project subject to CEQA, the delegation of authority to approve and execute subordination agreements is exempt pursuant to State CEQA Guidelines Section 15061(b)(3) General Rule or "Common Sense" Exemption, as it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment, as it will have only administrative and financial effects and will not lead to any direct or reasonably indirect physical environmental impacts. A Notice of Exemption will be filed by the HWS staff with the County Clerk within 5 days of the adoption of Resolution No. 2022-001.

County Counsel has reviewed and approved as to form the attached Resolution No. 2022-001, and the forms of the Subordination Agreements that are attached to the resolution. Staff recommends that the Board of Supervisors adopt Resolution No. 2022-001 and approve the attached forms of Subordination Agreements.

Impact on Citizens and Businesses

Refinancing to lower interest rates will help individual homeowners sustain long-term affordability.

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STATE OF CALIFORNIA

ATTACHMENTS:

- Resolution No. 2022-001
- Forms of Subordination Agreements
- Notice of Exemption


Brianna Lontajo, Principal Management Analyst 3/22/2022

BOARD OF SUPERVISORS

COUNTY OF RIVERSIDE

RESOLUTION NO. 2022-001

DELEGATING AUTHORITY TO THE DIRECTOR, ASSISTANT DIRECTOR, AND DEPUTY DIRECTOR OF HOUSING AND WORKFORCE SOLUTIONS TO APPROVE AND EXECUTE SUBORDINATION AGREEMENTS RELATING TO DOWN PAYMENT ASSISTANCE, REHABILITATION ASSISTANCE, AND OTHER AFFORDABLE HOUSING LOAN PROGRAMS THAT DO NOT EXCEED \$75,000 AND ARE FUNDED WITH COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIPS PROGRAM, NEIGHBORHOOD STABILIZATION PROGRAM, DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CALHOME, OR DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PERMANENT LOCAL HOUSING ALLOCATION FUNDS

(All Supervisorial Districts)

WHEREAS, Government Code Section 25207 provides that the Board of Supervisors “may do and perform all other acts and things required by law not enumerated in this part, or which are necessary to the full discharge of the duties of the legislative authority of the county government”; and

WHEREAS, throughout the years, the Riverside County Board of Supervisors (“Board”) has approved and executed affordable housing loan agreements, related promissory notes, and subordinated deeds of trust executed by low- and moderate-income homeowners (“Loans”) for the benefit of the County of Riverside (“County”); and

WHEREAS, the County provided the Loans in connection with the First Time Home Buyer Program, Permanent Local Housing Allocation First Time Home Buyer Program, Home Repair Loan Program, Enhanced Home Repair Loan Program, Home Improvement Program, Mobile Home Tenant Loan Assistance Program, Fee Land Mobile Home Loan Program, Neighborhood Stabilization Homeownership Program, Neighborhood Stabilization Program 1 Homebuyer, Neighborhood Stabilization Program 3 Homebuyer and other County administered affordable housing loan programs funded with California Department of Housing and Community Development CalHome, Community Development Block Grant, Home Investment Partnerships Program, or Neighborhood Stabilization Program funds (“Loan Programs”), and any future homebuyer and homeowner repair program funded with the aforementioned funds; and

WHEREAS, an individual Loan does not exceed the amount of seventy-five thousand dollars (\$75,000) per homeowner and each deed of trust securing a promissory note evidencing an

FORM APPROVED COUNTY COUNSEL
BY AMRTP DHILLON 3/17/2022 DATE

MAR 29 2022 3.13

1 individual Loan is in either a second or third priority position; and

2 **WHEREAS**, the County of Riverside Housing and Workforce Solutions (“HWS”)
3 currently administers the Loan Programs and the Loans; and

4 **WHEREAS**, as mortgage rates come down, individual homeowners are attempting to
5 refinance existing senior loans and request the County to review, approve and execute standard
6 subordination agreements re-subordinating a Loan to a new senior loan with more affordable
7 terms; and

8 **WHEREAS**, to facilitate implementation of the Loans, increase the efficiency of the
9 various Loan Programs, and save administrative costs, the Board desire to delegate to the Director
10 of HWS, Assistant Director and Deputy Director, the authority to review, approve and execute
11 standard subordination agreements subordinating a Loan in the event a homeowner desires to
12 refinance an existing senior loan, provided the following conditions are satisfied: (i) the Loan being
13 subordinated does not exceed \$75,000; (ii) the existing priority of the deed of trust securing the
14 Loan remains the same or in an improved position after subordination; (iii) the Loan is not
15 subordinated to an amount greater than the amount of the existing senior loan; and (iv) the
16 subordination agreement substantially conforms in form and substance to one of the forms of
17 Subordination Agreements attached hereto as Exhibit “A” and incorporated herein by this
18 reference or a form approved as to form by County Counsel; and

19 **WHEREAS**, the Board has duly considered the terms of the proposed delegation of
20 authority, and believes that it is in the best interests of the County and the health, safety, morals
21 and welfare of its residents, and in accord with the public purposes and provisions of applicable
22 State and local laws and requirements; and

23 **WHEREAS**, the Board believe that the proposed delegation of authority will greatly
24 benefit low- and moderate-income families within the County and ensure continued affordability
25 of their homes; and

26 **WHEREAS**, the Board previously approved a similar resolution, Resolution No. 2015-
27 005, on April 28, 2015 to the Economic Development Agency (“EDA”), however, a departmental
28

1 reorganization and name change to Housing and Workforce Solutions (“HWS”) necessitates an
2 updated resolution to reflect this reorganization.

3
4 **NOW THEREFORE, BE IT RESOLVED, FOUND, DETERMINED, AND**
5 **ORDERED** by the Board of Supervisors of the County of Riverside, State of California, in regular
6 session assembled on March 29, 2022, in the meeting room of the Board of Supervisors located
7 on the 1st floor of the County Administrative Center, 4080 Lemon Street, Riverside, California, as
8 follows:

9 1. That the Board of Supervisors hereby find and declare that the above recitals are
10 true and correct and incorporated herein as though set forth herein

11 2. That the Board of Supervisors hereby approve the forms of Subordination
12 Agreements attached hereto as Exhibit “A” and incorporated herein by this reference.

13 3. That the Board of Supervisors hereby approve and authorize the delegation of
14 authority to the Director, Assistant Director, and Deputy Director of Housing and Workforce
15 Solutions to review, approve and execute subordination agreements relating to down payment
16 assistance, rehabilitation assistance and other affordable housing loans, provided the following
17 conditions are satisfied:

- 18 a) The Loan is related to the First Time Home Buyer Program, Home Repair
19 Loan Program, Permanent Local Housing Allocation First Time Home
20 Buyer Program, Enhanced Home Repair Loan Program, Home
21 Improvement Program, Mobile Home Tenant Loan Assistance Program,
22 Fee Land Mobile Home Loan Program, Neighborhood Stabilization
23 Homeownership Program, Neighborhood Stabilization Program 1
24 Homebuyer, Neighborhood Stabilization Program 3 Homebuyer or other
25 County administered affordable housing loan program funded with
26 California Department of Housing and Community Development
27 CalHome, Community Development Block Grant, Home Investment
28 Partnerships Program, Neighborhood Stabilization Program fund, and any

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future homebuyer and homeowner repair program funded with the
aforementioned funds;

- b) The Loan amount being subordinated does not exceed \$75,000.
- c) The existing priority of the deed of trust securing the subject Loan remains the same or in an improved position after subordination.
- d) The Loan is not subordinated to an amount greater than the amount of the existing senior loan which is being refinanced.
- e) The subordination agreement substantially conforms in form and substance to one of the forms of Subordination Agreements attached hereto as Exhibit "A" and incorporated herein by this reference or a form approved as to form by County Counsel.
- f) The subordination agreement has been approved as to form by County Counsel.

4. This Resolution supersedes in entirety all prior resolutions granting and authorizing the delegation of authority to subordinate as specifically set forth herein.

5. This Resolution shall take effect upon its adoption.

ROLL CALL:

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
 Nays: None
 Absent: None

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

KECIA R. HARPER, Clerk of said Board
 By  Deputy

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EXHIBIT A
FORMS OF SUBORDINATION AGREEMENTS

(behind this page)

NO FEE FOR RECORDING PURSUANT
TO GOVERNMENT CODE SECTION 6103

Order No. Title Order #
Escrow No. Escrow #
Loan No. Lender New Loan #

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

County of Riverside
Housing & Workforce Solutions
3403 Tenth Street, Suite 300
Riverside, CA 92501
Attn: DS Name

File No: HWS File number

SPACE ABOVE THIS LINE FOR RECORDERS USE

APN: APN Number

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT ("Agreement") is made as of Month, day, 2022, by and between HOMEOWNER(S) NAME(S), vesting ("Borrower") Senior Lender Name ("Senior Lender") and the COUNTY OF RIVERSIDE, a political subdivision of the State of California ("County").

RECITALS

WHEREAS, Borrower owns that certain real property located in the property city name, Riverside County, as described in the legal description attached hereto as Exhibit "A" and incorporated herein by this reference ("Property"); and

WHEREAS, in connection with the County's First Time Home Buyers Assistance Program and the County's administration of the HOME Investment Partnership Program (Title II of the Cranston-Gonzales National Affordable Housing Act, Public Law No. 101-625, 104 State 4079 (1990), as amended, and 24 CFR Part 92) ("Home Program") County provided financial assistance to Borrower in the amount of written dollar amount (\$HWS assistance amount) ("County Loan") evidenced by that certain Promissory Note executed by Borrower in favor of

County dated Promissory Note date (“County Note”);

WHEREAS, the County Note is secured by that certain Subordinate Deed of Trust executed by Borrower for the benefit of County, dated HWS DOT Date and recorded on recorded date in the Official Records of Riverside County Recorder’s Office (“Official Records”) as Document No. Instrument number (“County Deed of Trust”). The County Note and County Deed of Trust are referred to individually as a “County Loan Document” and collectively as the “County Loan Documents”. In addition, in connection with the County Loan, County and Borrower have executed and recorded in the Official Records a [insert information regarding the Regulatory/Covenants if applicable] dated _____ and recorded on _____ in the Official Records as Document No. _____ (“County Covenants”). The County Covenants and its priority is not affected by this Agreement. The County Covenants is not a County Loan Document;

WHEREAS, pursuant to a Loan Agreement (“Senior Lender Loan Agreement”) dated as of _____, by and between Senior Lender and Borrower, Senior Lender has provided a loan to Borrower in the approximate principal amount of written 1st loan amount (\$loan amount) (“Senior Lender Loan”). The Senior Lender Loan is evidenced by a promissory note in the amount equal to the Senior Lender Loan, dated _____ and executed by Borrower in favor of the Senior Lender (“Senior Lender Note”). The Senior Lender Note is secured by that certain Deed of Trust executed by Borrower for the benefit of Senior Lender dated _____, and recorded on _____ in the Official Records as Document No. _____ (“Senior Lender Deed of Trust”) against the Property;

WHEREAS, the Senior Lender Loan Agreement, Senior Lender Note, and Senior Lender Deed of Trust are referred to collectively herein as the “Senior Lender Documents;”

WHEREAS, The Senior Lender is willing to make the Senior Lender Loan provided the Senior Lender Documents are liens, claims or charges upon the Property prior and superior to the County Loan Documents, and provided that the County specifically and unconditionally subordinates and subjects the County Loan Documents to the liens, claims or charges of the Senior Lender Documents; and

WHEREAS, County is willing to subordinate specifically and unconditionally the County Loan Documents to achieve and maintain the order of priority listed in the recital above.

NOW THEREFORE, in consideration of the mutual benefits accruing to the lenders and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and Senior Lender hereby agree as follows:

1. The Senior Lender Loan and the Senior Lender Documents shall at all times be prior and superior to the liens or charges of the County Loan and the County Loan Documents.

2. The County Loan and the County Loan Documents shall at all times be junior and are hereby subordinated to the Senior Lender Loan and the Senior Lender Documents.

3. The Senior Lender would not have made the Senior Lender Loan, and the County would not have made the County Loan, without this Subordination Agreement.

4. This Agreement shall be the whole and only agreement with regard to the priority and subordination of the Senior Lender Loan, the Senior Lender Documents and the County Loan and the County Loan Documents, and shall supersede and cancel, but only insofar as would affect the priority among the loans and documents referred to hereinabove, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in any of such loans and documents which provide for the subordination of the lien or charge thereof to another loan or loans, document or documents, deed or deeds of trust or to a mortgage or mortgages.

5. County and Senior Lender declare, agree, and acknowledge that:

(a) County consents to and approves (i) all provisions of the Senior Lender Note and Senior Lender Deed of Trust; (ii) all agreements, including but not limited to reserve agreements, loan agreements, development, or escrow agreements, between Borrower and Senior Lender for the origination, disbursement, and servicing of the Senior Lender Loan, which prior to or concurrently herewith have been submitted to County. Any increase in Senior Lender Loan amount shall require the prior consent of the County;

(b) Senior Lender consents to and approves all provisions of the County Loan Documents described in the Recitals, above; and

(c) County intentionally and unconditionally waives, relinquishes and subordinates the lien, charge and encumbrance of the County Loan Documents in favor of the prior lien, charge and encumbrance of the Senior Lender Documents as set forth in Paragraph 1 above upon the Property as referred to in this Agreement in favor of the Senior Lender in the order of priority specified in this Agreement and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be made, and specific monetary and other obligations are being and will be entered into which would not be made or entered into but for Senior Lender's reliance upon this waiver, relinquishment and subordination.

6. Notwithstanding anything to the contrary contained in this Subordination Agreement, the Senior Lender hereby agrees as follows:

(a) Following any notice from the Senior Lender to the Borrower that a default or breach exists under the terms of the Senior Lender Documents and each of them, and prior to completion of a foreclosure sale thereunder, Senior Lender shall promptly (but in no event later than the following business day) send a copy of such notice ("Bank Notice of default") to the County by certified or registered U.S. Mail at the address set forth in Section 8. below, and the County shall have the right, but not the obligation, to cure the default as follows: County shall have one hundred twenty (120) days from receipt of the Bank Notice of Default to effect a cure prior to exercise of remedies by Senior Lender under the Senior Lender Documents, or such longer period of time as may be specified in the Senior Lender Documents, provided however, if the default is such that it is not reasonably capable of being cured within such one hundred twenty (120) days, or such longer period if so specified, and if the County (a) initiates corrective action within said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then the County shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by Senior Lender.

(b) The County shall have the right, but not the obligation, during the cure periods set forth in Section 6. (a) above to cure Borrower's default relative to the Senior Lender Loan and Senior Lender shall accept any such cure and Senior Lender agrees that Senior Lender will not cause an acceleration (or will cause a de-acceleration) of the indebtedness or

other obligations of the Borrower under the Senior Lender Documents by reason of the default or breach which has been cured by the County;

(c) After a default under the Senior Lender Deed of Trust and/or other Senior Lender Documents, but prior to a foreclosure sale or deed in lieu assignment of the Property, the County shall have the right (for itself or any assignee of County), but not the obligation, to take title to the Property and cure the default relative to the Senior Lender Documents, without Senior Lender exercising any right it might otherwise have to accelerate the Senior Lender Loan by reason of such title transfer; and

(d) After a default under the Senior Lender Deed of Trust and/or other Senior Lender Documents, but prior to a foreclosure sale or deed in lieu assignment of the Property, the County shall have the right (for itself or any assignee of the County) (but not the obligation) to purchase the Property from the Borrower and pay all amounts due and owing under the Senior Lender Documents, and Senior Lender agrees that the acquisition of title to the Property by the County (or such assignee) shall not constitute an accelerating sale or transfer or an event of default pursuant to the Senior Lender Documents and that upon receipt of such payment Senior Lender shall immediately terminate, release, discharge and reconvey the Senior Lender Deed of Trust and any other liens or encumbrances of Senior Lender on the Property.

7. In connection with the County Loan, County and Borrower have executed and recorded in the Official Records the County Covenants and its priority is not affected by this Agreement, and shall not be extinguished, terminated, or cancelled by a foreclosure sale under the Senior Lender Loan.

8. All Notices provided for in this Agreement shall be deemed received when personally delivered, or two (2) days following mailing by certified mail, return receipt requested. All mailings shall be addressed to the respective parties at their addresses set forth below, or at such other address as each party may designate in writing:

Senior Lender: [insert name and address]

County: [insert name] Match to the original HWS Deed (County of Riverside or Riverside County)

3403 Tenth Street, Suite 300, Riverside, CA 92501

Attention: Assistant Deputy Director

Borrower: [insert name and property address]

9. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute one and the same instrument. The signature pages of one or more counterpart copies may be removed from such counterpart copies and all attached to the same copy of this Agreement, which, with all attached signature pages, shall be deemed to be an original Agreement.

10. This Agreement shall be binding on and inure to the benefit of the legal representatives, heirs, successors and assigns of the parties.

11. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

THE PARTIES HEREIN AGREE THAT THIS AGREEMENT IS CONTINGENT UPON THE RECORDING OF THIS AGREEMENT WITH THE COUNTY OF RIVERSIDE ASSESSOR-COUNTY CLERK-RECORDER. IF THIS AGREEMENT IS NOT RECORDED WITH THE COUNTY OF RIVERSIDE ASSESSOR-COUNTY CLERK-RECORDER WITHIN THIRTY (30) COUNTY WORKING DAYS OF THE DATE THIS AGREEMENT IS MADE, THEN THIS AGREEMENT WILL BECOME NULL AND VOID IN ITS ENTIRETY WITHOUT FURTHER ACTION OF THE PARTIES.

IN WITNESS WHEREOF, the County, Borrower and Senior Lender have executed this Agreement as of the date first above written.

“COUNTY”

“BORROWER”

County of Riverside, a political subdivision of
The State of California

Homeowner’s names, vesting

By: form - do not sign
Michael Walsh,
Assistant Deputy Director / Housing and
Workforce Solutions

By: form - do not sign
Homeowner name


Date: _____

Date: _____

By: form - do not sign
Homeowner name

Date: _____

APPROVED AS TO FORM
Gregory P. Priamos
County Counsel

By: 
Amrit P. Dhillon
Deputy County Counsel

SENIOR LENDER

Senior lender name

By: form - do not sign

Name: _____

Its: _____

Date: _____

(All signatures on this page are required to be notarized)

EXHIBIT A
LEGAL DESCRIPTION

Insert full legal description

APN: insert APN

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

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

STATE OF CALIFORNIA }
COUNTY OF _____ }

On _____, before me, _____
Date Here Insert Name and Title of the Officer

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

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

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

WITNESS my hand and official seal.

Place Notary Seal Above

Signature _____
Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

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

STATE OF CALIFORNIA }

COUNTY OF _____ }

On _____, before me, _____
Date Here Insert Name and Title of the Officer

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

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

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

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

Place Notary Seal Above

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

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

STATE OF CALIFORNIA }
COUNTY OF _____ }

On _____, before me, _____
Date Here Insert Name and Title of the Officer
personally appeared _____
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Place Notary Seal Above

Signature _____
Signature of Notary Public

NO FEE FOR RECORDING PURSUANT
TO GOVERNMENT CODE SECTION 6103

Order No. Title Order #
Escrow No. Escrow #
Loan No. Lender Loan #

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

County of Riverside
Housing & Workforce Solutions
3403 Tenth Street, Suite 300
Riverside, CA 92501
Attn: DS Name

File No: RivCo Loan #

SPACE ABOVE THIS LINE FOR RECORDERS USE

APN: from title report

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT ("Agreement") is made as of month, date, 2022, by and between Borrower Names, Borrower Vesting (collectively "Borrower") Lender Name ("Senior Lender") and the COUNTY OF RIVERSIDE, a political subdivision of the State of California ("County").

RECITALS

WHEREAS, Borrower owns that certain real property located in the City of , Riverside County, as described in the legal description attached hereto as Exhibit "A" and incorporated herein by this reference ("Property");

WHEREAS, in connection with the County's Neighborhood Stabilization Program 1 Homebuyer Program under Title III of Division B of the Housing and Economic Recovery Act of 2008 ("HERA") and the County's administration of the Community Development Block Grant (CDBG), County provided financial assistance to Borrower in the amount of Written RivCo Amount Dollars and Zero Cents (\$ RivCo amount) ("County Loan") which loan was evidenced by that certain Promissory Note executed by Borrower in favor of County the

effective date of which was Rivco Document Date of Note (“County Note”);

WHEREAS, the County Note is secured by that certain Subordinate Deed of Trust (Shared Appreciation) executed by Borrower for the benefit of County, dated RivCo Document Date of Deed and recorded on RivCo Recording Date in the Official Records of Riverside County Recorder’s Office (“Official Records”) as Document No. XXXX-XXXXXXX (“County Deed of Trust”). The County Note and County Deed of Trust are referred to individually as a “County Loan Document” and collectively as the “County Loan Documents”;

WHEREAS, pursuant to a Loan Agreement (“Senior Lender Loan Agreement”) dated as of _____, by and between Senior Lender and Borrower, Senior Lender has provided a loan to Borrower in the approximate principal amount of Written Lender Loan Amount Dollars and Zero Cents (\$ Lender loan amount) (“Senior Lender Loan”). The Senior Lender Loan is evidenced by a promissory note in the amount equal to the Senior Lender Loan, dated _____ and executed by Borrower in favor of the Senior Lender (“Senior Lender Note”). The Senior Lender Note is secured by that certain Deed of Trust executed by Borrower for the benefit of Senior Lender dated _____, and recorded on _____ in the Official Records as Document No. _____ (“Senior Lender Deed of Trust”) against the Property;

WHEREAS, the Senior Lender Loan Agreement, Senior Lender Note, and Senior Lender Deed of Trust are referred to collectively herein as the “Senior Lender Documents;”

WHEREAS, The Senior Lender is willing to make the Senior Lender Loan provided the Senior Lender Documents are liens, claims or charges upon the Property prior and superior to the County Loan Documents, and provided that the County specifically and unconditionally subordinates and subjects the County Loan Documents to the liens, claims or charges of the Senior Lender Documents; and

WHEREAS, County is willing to subordinate specifically and unconditionally the County Loan Documents to achieve and maintain the order of priority listed in the recital above.

NOW THEREFORE, in consideration of the mutual benefits accruing to the lenders and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and Senior Lender hereby agree as follows:

1. The Senior Lender Loan and the Senior Lender Documents shall at all times be prior and superior to the liens or charges of the County Loan and the County Loan Documents.

2. The County Loan and the County Loan Documents shall at all times be junior and are hereby subordinated to the Senior Lender Loan and the Senior Lender Documents.

3. The Senior Lender would not have made the Senior Lender Loan, and the County would not have made the County Loan, without this Subordination Agreement.

4. This Agreement shall be the whole and only agreement with regard to the priority and subordination of the Senior Lender Loan, the Senior Lender Documents and the County Loan and the County Loan Documents, and shall supersede and cancel, but only insofar as would affect the priority among the loans and documents referred to hereinabove, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in any of such loans and documents which provide for the subordination of the lien or charge thereof to another loan or loans, document or documents, deed or deeds of trust or to a mortgage or mortgages.

5. County and Senior Lender declare, agree, and acknowledge that:

(a) County consents to and approves (i) all provisions of the Senior Lender Note and Senior Lender Deed of Trust; (ii) all agreements, including but not limited to reserve agreements, loan agreements, development, or escrow agreements, between Borrower and Senior Lender for the origination, disbursement, and servicing of the Senior Lender Loan, which prior to or concurrently herewith have been submitted to County. Any increase in Senior Lender Loan amount shall require the prior consent of the County;

(b) Senior Lender consents to and approves all provisions of the County Loan Documents described in the Recitals, above; and

(c) County intentionally and unconditionally waives, relinquishes and subordinates the lien, charge and encumbrance of the County Loan Documents in favor of the prior lien, charge and encumbrance of the Senior Lender Documents as set forth in Paragraph 1 above upon the Property as referred to in this Agreement in favor of the Senior Lender in the order of priority specified in this Agreement and understands that in reliance upon, and in

consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be made, and specific monetary and other obligations are being and will be entered into which would not be made or entered into but for Senior Lender's reliance upon this waiver, relinquishment and subordination.

6. Notwithstanding anything to the contrary contained in this Subordination Agreement, the Senior Lender hereby agrees as follows:

(a) Following any notice from the Senior Lender to the Borrower that a default or breach exists under the terms of the Senior Lender Documents and each of them, and prior to completion of a foreclosure sale thereunder, Senior Lender shall promptly (but in no event later than the following business day) send a copy of such notice ("Bank Notice of default") to the County by certified or registered U.S. Mail at the address set forth in Section 8. below, and the County shall have the right, but not the obligation, to cure the default as follows: County shall have one hundred twenty (120) days from receipt of the Bank Notice of Default to effect a cure prior to exercise of remedies by Senior Lender under the Senior Lender Documents, or such longer period of time as may be specified in the Senior Lender Documents, provided however, if the default is such that it is not reasonably capable of being cured within such one hundred twenty (120) days, or such longer period if so specified, and if the County (a) initiates corrective action within said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then the County shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by Senior Lender.

(b) The County shall have the right, but not the obligation, during the cure periods set forth in Section 6. (a) above to cure Borrower's default relative to the Senior Lender Loan and Senior Lender shall accept any such cure and Senior Lender agrees that Senior Lender will not cause an acceleration (or will cause a de-acceleration) of the indebtedness or other obligations of the Borrower under the Senior Lender Documents by reason of the default or breach which has been cured by the County;

(c) After a default under the Senior Lender Deed of Trust and/or other Senior Lender Documents, but prior to a foreclosure sale or deed in lieu assignment of the Property, the County shall have the right (for itself or any assignee of County), but not the

obligation, to take title to the Property and cure the default relative to the Senior Lender Documents, without Senior Lender exercising any right it might otherwise have to accelerate the Senior Lender Loan by reason of such title transfer; and

(d) After a default under the Senior Lender Deed of Trust and/or other Senior Lender Documents, but prior to a foreclosure sale or deed in lieu assignment of the Property, the County shall have the right (for itself or any assignee of the County) (but not the obligation) to purchase the Property from the Borrower and pay all amounts due and owing under the Senior Lender Documents, and Senior Lender agrees that the acquisition of title to the Property by the County (or such assignee) shall not constitute an accelerating sale or transfer or an event of default pursuant to the Senior Lender Documents and that upon receipt of such payment Senior Lender shall immediately terminate, release, discharge and reconvey the Senior Lender Deed of Trust and any other liens or encumbrances of Senior Lender on the Property.

7. Reserved.

8. All Notices provided for in this Agreement where covenants recorded for this deal shall be deemed received when personally delivered, or two (2) days following mailing by certified mail, return receipt requested. All mailings shall be addressed to the respective parties at their addresses set forth below, or at such other address as each party may designate in writing:

Senior Lender: Lender Name
Attn:
Address
Loan #: New Loan #

County: County of Riverside
Housing and Workforce Solutions
3403 Tenth Street, Suite 300, Riverside, CA 92501
Attention: Deputy Director / HWS Housing

Borrower: Borrower Names

Subject property Address

9. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute one and the same instrument. The signature pages of one or more counterpart copies may be removed from such counterpart copies and all attached to the same copy of this Agreement, which, with all attached signature pages, shall be deemed to be an original Agreement.

10. This Agreement shall be binding on and inure to the benefit of the legal representatives, heirs, successors and assigns of the parties.

11. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

THE PARTIES HEREIN AGREE THAT THIS AGREEMENT IS CONTINGENT UPON THE RECORDING OF THIS AGREEMENT WITH THE COUNTY OF RIVERSIDE ASSESSOR-COUNTY CLERK-RECORDER. IF THIS AGREEMENT IS NOT RECORDED WITH THE COUNTY OF RIVERSIDE ASSESSOR-COUNTY CLERK-RECORDER WITHIN (30) COUNTY WORKING DAYS OF THE DATE THIS AGREEMENT IS MADE, THEN THIS AGREEMENT WILL BECOME NULL AND VOID IN ITS ENTIRETY WITHOUT FURTHER ACTION OF THE PARTIES.

IN WITNESS WHEREOF, the County, Borrower and Senior Lender have executed this Agreement as of the date first above written.

“COUNTY”

“BORROWER”

County of Riverside, a political subdivision of
The State of California

Borrower Names, Borrower Vesting

By: form - do not sign
Michael Walsh,
Deputy Director / Housing and
Workforce Solutions

By: form - do not sign
Borrower Name

Date: _____

Date: _____

By: form - do not sign
Borrower Name

Date: _____

APPROVED AS TO FORM
Gregory P. Priamos
County Counsel

By: 
Amrit P. Dhillon
Deputy County Counsel

SENIOR LENDER

Lender Name

By: form - do not sign

Name: _____

Its: _____

Date: _____

(All signatures on this page are required to be notarized)

EXHIBIT A
LEGAL DESCRIPTION

The land referred to herein below is situated in the County of RIVERSIDE, State of CALIFORNIA, as is described as follows:

LEGAL DESCRIPTION FROM TITLE REPORT.

APN: From title report

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

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

STATE OF CALIFORNIA }
COUNTY OF _____ }

On _____, before me, _____
Date Here Insert Name and Title of the Officer

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

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

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

WITNESS my hand and official seal.

Place Notary Seal Above

Signature _____
Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

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

STATE OF CALIFORNIA }

COUNTY OF _____ }

On _____, before me, _____
Date Here Insert Name and Title of the Officer

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

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

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

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Signature _____
Signature of Notary Public

Place Notary Seal Above

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STATE OF CALIFORNIA }
COUNTY OF _____ }

On _____, before me, _____
Date Here Insert Name and Title of the Officer
personally appeared _____
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Place Notary Seal Above

Signature _____
Signature of Notary Public



Notice of Exemption

To: Office of Planning and Research <i>For U.S Mail:</i> P.O. Box 3044 Sacramento, CA 95812-3044	Street Address: 1400 Tenth St. Sacramento, CA 95814	From: Public Agency: Housing and Workforce Solutions of the County of Riverside Address: 3403 Tenth Street, Suite 300 Riverside, CA 92501 Contact: Susan Guarino, Development Specialist Phone: 951-955-4861
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<input checked="" type="checkbox"/> County Clerk County of: <u>Riverside</u> 2724 Gateway Drive P.O. Box 751 Address: <u>Riverside, CA 92502-0751</u>	Lead Agency (if different from above): Address: _____ Contact: _____ Phone: _____
-------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------

SUBJECT: Filing of Notice of Exemption in Compliance with California Health and Safety Code Sections 15378 (b)(5) and State CEQA Guidelines Section 15061 (b)(3) (Common sense exemption).

RESOLUTION NO. 2022-001: DELEGATING AUTHORITY TO THE DIRECTOR, ASSISTANT DIRECTOR AND DEPUTY DIRECTOR OF HOUSING AND WORKFORCE SOLUTIONS, TO APPROVE AND EXECUTE SUBORDINATION AGREEMENTS RELATING TO DOWN PAYMENT ASSISTANCE, REHABILITATION ASSISTANCE, AND OTHER AFFORDABLE HOUSING LOANS THAT DO NOT EXCEED \$75,000 AND ARE FUNDED WITH COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIPS PROGRAM, NEIGHBORHOOD STABILIZATION PROGRAM, DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CALHOME, or DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PERMANENT LOCAL HOUSING ALLOCATION FUNDS

Project Title: (All Supervisorial Districts)

Project Location: No specific address. All Riverside County.

Project Description:

The County of Riverside (County) Board of Supervisors approved the execution of affordable housing loan agreements (Loans) between the County and individual homeowners in connection with various down payment and rehabilitation assistance loan programs, including but not limited to the First Time Home Buyer Program, Home Repair Loan Program, Enhanced Home Repair Loan Program, Home Improvement Program, Mobile Home Tenant Loan Assistance Program, Fee Land Mobile Home Loan Program, Neighborhood Stabilization Homeownership Program, Neighborhood Stabilization Program 1 Homebuyer, Neighborhood Stabilization Program 3 Homebuyer, and other affordable housing loan programs administered by the County's Housing and Workforce Solutions (HWS). The aforementioned loan programs are funded with Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), Neighborhood Stabilization Program (NSP), California Department of Housing and Community Development (HCD) CalHome Funds or HCD Permanent Local Housing Allocation (PLHA) Funds.

Project Sponsor: Housing and Workforce Solutions of the County of Riverside

This is to advise that the Housing and Workforce Solutions approved the above project on Lead agency or Responsible Agency

March 29, 2022 and has made the following determinations regarding the above described project:
(tentative date)

Exempt Status: California Health and Safety Code Section 15378(b)(5) and State CEQA Guidelines Section 15061 (b)(3)

MAR 29 2022 3.13



Notice of Exemption

To: Office of Planning and Research <i>For U.S Mail:</i> P.O. Box 3044 Sacramento, CA 95812-3044	<i>Street Address:</i> 1400 Tenth St. Sacramento, CA 95814	From: Public Agency: Address: Contact: Phone:	Housing and Workforce Solutions of the <u>County of Riverside</u> 3403 Tenth Street, Suite 300 Riverside, CA 92501 Susan Guarino, Development Specialist 951-955-4861
---------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------	---------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

<input checked="" type="checkbox"/> County Clerk County of: <u>Riverside</u> 2724 Gateway Drive P.O. Box 751 Address: <u>Riverside, CA 92502-0751</u>	Lead Agency (if different from above): Address: _____ Contact: _____ Phone: _____
-------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------

SUBJECT: Filing of Notice of Exemption in Compliance with California Health and Safety Code Sections 15378 (b)(5) and State CEQA Guidelines Section 15061 (b)(3) (Common sense exemption).

RESOLUTION NO. 2022-001: DELEGATING AUTHORITY TO THE DIRECTOR, ASSISTANT DIRECTOR AND DEPUTY DIRECTOR OF HOUSING AND WORKFORCE SOLUTIONS, TO APPROVE AND EXECUTE SUBORDINATION AGREEMENTS RELATING TO DOWN PAYMENT ASSISTANCE, REHABILITATION ASSISTANCE, AND OTHER AFFORDABLE HOUSING LOANS THAT DO NOT EXCEED \$75,000 AND ARE FUNDED WITH COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIPS PROGRAM, NEIGHBORHOOD STABILIZATION PROGRAM, DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CALHOME, or DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PERMANENT LOCAL HOUSING ALLOCATION FUNDS

Project Title: (All Supervisorial Districts)

Project Location: No specific address. All Riverside County.

Project Description:

The County of Riverside (County) Board of Supervisors approved the execution of affordable housing loan agreements (Loans) between the County and individual homeowners in connection with various down payment and rehabilitation assistance loan programs, including but not limited to the First Time Home Buyer Program, Home Repair Loan Program, Enhanced Home Repair Loan Program, Home Improvement Program, Mobile Home Tenant Loan Assistance Program, Fee Land Mobile Home Loan Program, Neighborhood Stabilization Homeownership Program, Neighborhood Stabilization Program 1 Homebuyer, Neighborhood Stabilization Program 3 Homebuyer, and other affordable housing loan programs administered by the County's Housing and Workforce Solutions (HWS). The aforementioned loan programs are funded with Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), Neighborhood Stabilization Program (NSP), California Department of Housing and Community Development (HCD) CalHome Funds or HCD Permanent Local Housing Allocation (PLHA) Funds.

Project Sponsor: Housing and Workforce Solutions of the County of Riverside

This is to advise that the Housing and Workforce Solutions approved the above project on Lead agency or Responsible Agency

March 29, 2022 and has made the following determinations regarding the above described project:
(tentative date)

Exempt Status: California Health and Safety Code Section 15378(b)(5) and State CEQA Guidelines Section 15061 (b)(3)

MAR 29 2022 3.13



Notice of Exemption

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

Street Address:
1400 Tenth St.
Sacramento, CA 95814

From:
Public Agency:
Address: Housing and Workforce Solutions of the County of Riverside
3403 Tenth Street, Suite 300
Riverside, CA 92501
Contact: Susan Guarino, Development Specialist
Phone: 951-955-4861

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

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

SUBJECT: Filing of Notice of Exemption in Compliance with California Health and Safety Code Sections 15378 (b)(5) and State CEQA Guidelines Section 15061 (b)(3) (Common sense exemption).

RESOLUTION NO. 2022-001: DELEGATING AUTHORITY TO THE DIRECTOR, ASSISTANT DIRECTOR AND DEPUTY DIRECTOR OF HOUSING AND WORKFORCE SOLUTIONS, TO APPROVE AND EXECUTE SUBORDINATION AGREEMENTS RELATING TO DOWN PAYMENT ASSISTANCE, REHABILITATION ASSISTANCE, AND OTHER AFFORDABLE HOUSING LOANS THAT DO NOT EXCEED \$75,000 AND ARE FUNDED WITH COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIPS PROGRAM, NEIGHBORHOOD STABILIZATION PROGRAM, DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CALHOME, or DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PERMANENT LOCAL HOUSING ALLOCATION FUNDS

Project Title: (All Supervisorial Districts)
Project Location: No specific address. All Riverside County.

Project Description:

The County of Riverside (County) Board of Supervisors approved the execution of affordable housing loan agreements (Loans) between the County and individual homeowners in connection with various down payment and rehabilitation assistance loan programs, including but not limited to the First Time Home Buyer Program, Home Repair Loan Program, Enhanced Home Repair Loan Program, Home Improvement Program, Mobile Home Tenant Loan Assistance Program, Fee Land Mobile Home Loan Program, Neighborhood Stabilization Homeownership Program, Neighborhood Stabilization Program 1 Homebuyer, Neighborhood Stabilization Program 3 Homebuyer, and other affordable housing loan programs administered by the County's Housing and Workforce Solutions (HWS). The aforementioned loan programs are funded with Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), Neighborhood Stabilization Program (NSP), California Department of Housing and Community Development (HCD) CalHome Funds or HCD Permanent Local Housing Allocation (PLHA) Funds.

Project Sponsor: Housing and Workforce Solutions of the County of Riverside

This is to advise that the Housing and Workforce Solutions approved the above project on Lead agency or Responsible Agency


March 29, 2022 and has made the following determinations regarding the above described project:
(tentative date)

Exempt Status: California Health and Safety Code Section 15378(b)(5) and State CEQA Guidelines Section 15061 (b)(3)

MAR 29 2022 3.13

(Common sense exemption).

Reasons Why Project is Exempt: The Projects have been evaluated and determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to California Health and Safety Code Sections 15378(b)(5) and California State CEQA Guidelines Section 15061 b 3 (Common sense exemption). The delegation of authority to the Director, Assistant Director and Deputy Director of HWS, to approve and execute subordination agreements in connection with existing affordable housing loans, as more specifically described in Resolution No. 2022-001, is not a project under California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15378(b)(5), because it is a purely administrative activity of the government ensuring sustained long-term affordability for homeowners that will not result in direct or indirect physical changes to the environment. Based on the aforementioned, County HWS staff has determined that the delegation of authority to approve and execute subordination agreements as set forth in resolution No. 2022-001 is also not an activity subject to CEQA pursuant to State CEQA Guidelines Section 15060(c)(3). Even if a determination is made that the proposed activity is a project subject to CEQA, the delegation of authority to approve and execute subordination agreements is exempt pursuant to State CEQA Guidelines Section 15061(b)(3) General Rule or "Common Sense" Exemption, as it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment, as it will have only administrative and financial effects and will not lead to any direct or reasonably indirect physical environmental impacts.

Signature:  Title: Juan Garcia, Principal Development Specialist

Date: 3/17/22 Date received for filing: _____

NO FEE FOR RECORDING PURSUANT
TO GOVERNMENT CODE SECTION 6103

Order No. Title Order #
Escrow No. Escrow #
Loan No. Lender New Loan #

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

County of Riverside
Housing & Workforce Solutions
3403 Tenth Street, Suite 300
Riverside, CA 92501
Attn: DS Name

File No: HWS File number

SPACE ABOVE THIS LINE FOR RECORDERS USE

APN: APN Number

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY
INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND LOWER
PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY
INSTRUMENT.

THIS SUBORDINATION AGREEMENT (“Agreement”) is made as of Month, day, 2022, by
and between HOMEOWNER(S) NAME(S), vesting (“Borrower”) Senior Lender Name (“Senior
Lender”) and the COUNTY OF RIVERSIDE, a political subdivision of the State of California
 (“County”).

RECITALS

WHEREAS, Borrower owns that certain real property located in the property city name,
Riverside County, as described in the legal description attached hereto as Exhibit “A” and
incorporated herein by this reference (“Property”); and

WHEREAS, in connection with the County’s First Time Home Buyers Assistance
Program and the County’s administration of the HOME Investment Partnership Program (Title II
of the Cranston-Gonzales National Affordable Housing Act, Public Law No. 101-625, 104 State
4079 (1990), as amended, and 24 CFR Part 92) (“Home Program”) County provided financial
assistance to Borrower in the amount of written dollar amount (\$HWS assistance amount)
 (“County Loan”) evidenced by that certain Promissory Note executed by Borrower in favor of

County dated Promissory Note date ("County Note");

WHEREAS, the County Note is secured by that certain Subordinate Deed of Trust executed by Borrower for the benefit of County, dated HWS DOT Date and recorded on recorded date in the Official Records of Riverside County Recorder's Office ("Official Records") as Document No. Instrument number ("County Deed of Trust"). The County Note and County Deed of Trust are referred to individually as a "County Loan Document" and collectively as the "County Loan Documents". In addition, in connection with the County Loan, County and Borrower have executed and recorded in the Official Records a [insert information regarding the Regulatory/Covenants if applicable] dated _____ and recorded on _____ in the Official Records as Document No. _____ ("County Covenants"). The County Covenants and its priority is not affected by this Agreement. The County Covenants is not a County Loan Document;

WHEREAS, pursuant to a Loan Agreement ("Senior Lender Loan Agreement") dated as of _____, by and between Senior Lender and Borrower, Senior Lender has provided a loan to Borrower in the approximate principal amount of written 1st loan amount (\$loan amount) ("Senior Lender Loan"). The Senior Lender Loan is evidenced by a promissory note in the amount equal to the Senior Lender Loan, dated _____ and executed by Borrower in favor of the Senior Lender ("Senior Lender Note"). The Senior Lender Note is secured by that certain Deed of Trust executed by Borrower for the benefit of Senior Lender dated _____, and recorded on _____ in the Official Records as Document No. _____ ("Senior Lender Deed of Trust") against the Property;

WHEREAS, the Senior Lender Loan Agreement, Senior Lender Note, and Senior Lender Deed of Trust are referred to collectively herein as the "Senior Lender Documents;"

WHEREAS, The Senior Lender is willing to make the Senior Lender Loan provided the Senior Lender Documents are liens, claims or charges upon the Property prior and superior to the County Loan Documents, and provided that the County specifically and unconditionally subordinates and subjects the County Loan Documents to the liens, claims or charges of the Senior Lender Documents; and

WHEREAS, County is willing to subordinate specifically and unconditionally the County Loan Documents to achieve and maintain the order of priority listed in the recital above.

NOW THEREFORE, in consideration of the mutual benefits accruing to the lenders and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and Senior Lender hereby agree as follows:

1. The Senior Lender Loan and the Senior Lender Documents shall at all times be prior and superior to the liens or charges of the County Loan and the County Loan Documents.

2. The County Loan and the County Loan Documents shall at all times be junior and are hereby subordinated to the Senior Lender Loan and the Senior Lender Documents.

3. The Senior Lender would not have made the Senior Lender Loan, and the County would not have made the County Loan, without this Subordination Agreement.

4. This Agreement shall be the whole and only agreement with regard to the priority and subordination of the Senior Lender Loan, the Senior Lender Documents and the County Loan and the County Loan Documents, and shall supersede and cancel, but only insofar as would affect the priority among the loans and documents referred to hereinabove, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in any of such loans and documents which provide for the subordination of the lien or charge thereof to another loan or loans, document or documents, deed or deeds of trust or to a mortgage or mortgages.

5. County and Senior Lender declare, agree, and acknowledge that:

(a) County consents to and approves (i) all provisions of the Senior Lender Note and Senior Lender Deed of Trust; (ii) all agreements, including but not limited to reserve agreements, loan agreements, development, or escrow agreements, between Borrower and Senior Lender for the origination, disbursement, and servicing of the Senior Lender Loan, which prior to or concurrently herewith have been submitted to County. Any increase in Senior Lender Loan amount shall require the prior consent of the County;

(b) Senior Lender consents to and approves all provisions of the County Loan Documents described in the Recitals, above; and

(c) County intentionally and unconditionally waives, relinquishes and subordinates the lien, charge and encumbrance of the County Loan Documents in favor of the prior lien, charge and encumbrance of the Senior Lender Documents as set forth in Paragraph 1 above upon the Property as referred to in this Agreement in favor of the Senior Lender in the order of priority specified in this Agreement and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be made, and specific monetary and other obligations are being and will be entered into which would not be made or entered into but for Senior Lender's reliance upon this waiver, relinquishment and subordination.

6. Notwithstanding anything to the contrary contained in this Subordination Agreement, the Senior Lender hereby agrees as follows:

(a) Following any notice from the Senior Lender to the Borrower that a default or breach exists under the terms of the Senior Lender Documents and each of them, and prior to completion of a foreclosure sale thereunder, Senior Lender shall promptly (but in no event later than the following business day) send a copy of such notice ("Bank Notice of default") to the County by certified or registered U.S. Mail at the address set forth in Section 8. below, and the County shall have the right, but not the obligation, to cure the default as follows: County shall have one hundred twenty (120) days from receipt of the Bank Notice of Default to effect a cure prior to exercise of remedies by Senior Lender under the Senior Lender Documents, or such longer period of time as may be specified in the Senior Lender Documents, provided however, if the default is such that it is not reasonably capable of being cured within such one hundred twenty (120) days, or such longer period if so specified, and if the County (a) initiates corrective action within said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then the County shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by Senior Lender.

(b) The County shall have the right, but not the obligation, during the cure periods set forth in Section 6. (a) above to cure Borrower's default relative to the Senior Lender Loan and Senior Lender shall accept any such cure and Senior Lender agrees that Senior Lender will not cause an acceleration (or will cause a de-acceleration) of the indebtedness or

other obligations of the Borrower under the Senior Lender Documents by reason of the default or breach which has been cured by the County;

(c) After a default under the Senior Lender Deed of Trust and/or other Senior Lender Documents, but prior to a foreclosure sale or deed in lieu assignment of the Property, the County shall have the right (for itself or any assignee of County), but not the obligation, to take title to the Property and cure the default relative to the Senior Lender Documents, without Senior Lender exercising any right it might otherwise have to accelerate the Senior Lender Loan by reason of such title transfer; and

(d) After a default under the Senior Lender Deed of Trust and/or other Senior Lender Documents, but prior to a foreclosure sale or deed in lieu assignment of the Property, the County shall have the right (for itself or any assignee of the County) (but not the obligation) to purchase the Property from the Borrower and pay all amounts due and owing under the Senior Lender Documents, and Senior Lender agrees that the acquisition of title to the Property by the County (or such assignee) shall not constitute an accelerating sale or transfer or an event of default pursuant to the Senior Lender Documents and that upon receipt of such payment Senior Lender shall immediately terminate, release, discharge and reconvey the Senior Lender Deed of Trust and any other liens or encumbrances of Senior Lender on the Property.

7. In connection with the County Loan, County and Borrower have executed and recorded in the Official Records the County Covenants and its priority is not affected by this Agreement, and shall not be extinguished, terminated, or cancelled by a foreclosure sale under the Senior Lender Loan.

8. All Notices provided for in this Agreement shall be deemed received when personally delivered, or two (2) days following mailing by certified mail, return receipt requested. All mailings shall be addressed to the respective parties at their addresses set forth below, or at such other address as each party may designate in writing:

Senior Lender: **[insert name and address]**

County: **[insert name]** Match to the original HWS Deed (County of Riverside or Riverside County)

3403 Tenth Street, Suite 300, Riverside, CA 92501

Attention: Assistant Deputy Director

Borrower: [insert name and property address]

9. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute one and the same instrument. The signature pages of one or more counterpart copies may be removed from such counterpart copies and all attached to the same copy of this Agreement, which, with all attached signature pages, shall be deemed to be an original Agreement.

10. This Agreement shall be binding on and inure to the benefit of the legal representatives, heirs, successors and assigns of the parties.

11. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

THE PARTIES HEREIN AGREE THAT THIS AGREEMENT IS CONTINGENT UPON THE RECORDING OF THIS AGREEMENT WITH THE COUNTY OF RIVERSIDE ASSESSOR-COUNTY CLERK-RECORDER. IF THIS AGREEMENT IS NOT RECORDED WITH THE COUNTY OF RIVERSIDE ASSESSOR-COUNTY CLERK-RECORDER WITHIN THIRTY (30) COUNTY WORKING DAYS OF THE DATE THIS AGREEMENT IS MADE, THEN THIS AGREEMENT WILL BECOME NULL AND VOID IN ITS ENTIRETY WITHOUT FURTHER ACTION OF THE PARTIES.

IN WITNESS WHEREOF, the County, Borrower and Senior Lender have executed this Agreement as of the date first above written.

“COUNTY”

County of Riverside, a political subdivision of
The State of California


By: form - do not sign

Michael Walsh,
Assistant Deputy Director / Housing and
Workforce Solutions

Date: _____

APPROVED AS TO FORM

Gregory P. Priamos
County Counsel

By: 

Amrit P. Dhillon
Deputy County Counsel

“BORROWER”

Homeowner’s names, vesting

By: form - do not sign

Homeowner name

Date: _____

By: form - do not sign

Homeowner name

Date: _____

SENIOR LENDER

Senior lender name

By: form - do not sign

Name: _____

Its: _____

Date: _____

(All signatures on this page are required to be notarized)

EXHIBIT A
LEGAL DESCRIPTION

Insert full legal description

APN: insert APN

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

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

STATE OF CALIFORNIA }

COUNTY OF _____ }

On _____, before me, _____
Date Here Insert Name and Title of the Officer

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

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

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

WITNESS my hand and official seal.

Place Notary Seal Above

Signature _____
Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

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

STATE OF CALIFORNIA }

COUNTY OF _____ }

On _____, before me, _____
Date Here Insert Name and Title of the Officer

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

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

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

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

Place Notary Seal Above

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

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

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

Place Notary Seal Above



Notice of Exemption

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

Street Address: 1400 Tenth St.
Sacramento, CA 95814

From: Public Agency: Housing and Workforce Solutions of the County of Riverside
Address: 3403 Tenth Street, Suite 300
Riverside, CA 92501
Contact: Susan Guarino, Development Specialist
Phone: 951-955-4861

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

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

SUBJECT: Filing of Notice of Exemption in Compliance with California Health and Safety Code Sections 15378 (b)(5) and State CEQA Guidelines Section 15061 (b)(3) (Common sense exemption).

RESOLUTION NO. 2022-001: DELEGATING AUTHORITY TO THE DIRECTOR, ASSISTANT DIRECTOR AND DEPUTY DIRECTOR OF HOUSING AND WORKFORCE SOLUTIONS, TO APPROVE AND EXECUTE SUBORDINATION AGREEMENTS RELATING TO DOWN PAYMENT ASSISTANCE, REHABILITATION ASSISTANCE, AND OTHER AFFORDABLE HOUSING LOANS THAT DO NOT EXCEED \$75,000 AND ARE FUNDED WITH COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIPS PROGRAM, NEIGHBORHOOD STABILIZATION PROGRAM, DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CALHOME, or DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PERMANENT LOCAL HOUSING ALLOCATION FUNDS

Project Title: (All Supervisorial Districts)

Project Location: No specific address. All Riverside County.

Project Description:

The County of Riverside (County) Board of Supervisors approved the execution of affordable housing loan agreements (Loans) between the County and individual homeowners in connection with various down payment and rehabilitation assistance loan programs, including but not limited to the First Time Home Buyer Program, Home Repair Loan Program, Enhanced Home Repair Loan Program, Home Improvement Program, Mobile Home Tenant Loan Assistance Program, Fee Land Mobile Home Loan Program, Neighborhood Stabilization Homeownership Program, Neighborhood Stabilization Program 1 Homebuyer, Neighborhood Stabilization Program 3 Homebuyer, and other affordable housing loan programs administered by the County's Housing and Workforce Solutions (HWS). The aforementioned loan programs are funded with Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), Neighborhood Stabilization Program (NSP), California Department of Housing and Community Development (HCD) CalHome Funds or HCD Permanent Local Housing Allocation (PLHA) Funds.

Project Sponsor: Housing and Workforce Solutions of the County of Riverside


This is to advise that the Housing and Workforce Solutions approved the above project on Lead agency or Responsible Agency

March 29, 2022 and has made the following determinations regarding the above described project:
(tentative date)

Exempt Status: California Health and Safety Code Section 15378(b)(5) and State CEQA Guidelines Section 15061 (b)(3)

(Common sense exemption).

Reasons Why Project is Exempt: The Projects have been evaluated and determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to California Health and Safety Code Sections 15378(b)(5) and California State CEQA Guidelines Section 15061 b 3 (Common sense exemption). The delegation of authority to the Director, Assistant Director and Deputy Director of HWS, to approve and execute subordination agreements in connection with existing affordable housing loans, as more specifically described in Resolution No. 2022-001, is not a project under California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15378(b)(5), because it is a purely administrative activity of the government ensuring sustained long-term affordability for homeowners that will not result in direct or indirect physical changes to the environment. Based on the aforementioned, County HWS staff has determined that the delegation of authority to approve and execute subordination agreements as set forth in resolution No. 2022-001 is also not an activity subject to CEQA pursuant to State CEQA Guidelines Section 15060(c)(3). Even if a determination is made that the proposed activity is a project subject to CEQA, the delegation of authority to approve and execute subordination agreements is exempt pursuant to State CEQA Guidelines Section 15061(b)(3) General Rule or "Common Sense" Exemption, as it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment, as it will have only administrative and financial effects and will not lead to any direct or reasonably indirect physical environmental impacts.

Signature:  Title: Juan Garcia, Principal Development Specialist
Date: 3/17/22 Date received for filing: _____