

**AMENDED AND RESTATED  
PROMISSORY NOTE SECURED BY DEED OF TRUST**

**Path of Life**

U.S. \$585,150

Borrower:

Path of Life Ministries

2840 Hulen Place

Riverside, California 92507

Term: 17 Years

Dated: June 1, 2005

Maturity Date: June 30, 2023

FOR VALUE RECEIVED, the undersigned, ("Borrower") hereby promises to pay to the order of the City of Riverside, a California charter city and municipal corporation ("City"), which has its principal address at 3900 Main Street, Riverside, California 92522, the principal amount of Five Hundred Eighty-Five Thousand One Hundred Fifty Dollars and (\$585,150.00) together with all additional sums, advances and/or contributions made by the City to or on behalf of the Borrower directly for benefit or improvements to the physical property, as evidenced by a written agreement, but not to include grants or funds provided by the City for operations of programs related to the property, together with interest thereon as specified herein. The obligation of the Borrower in respect of all such advances is subject to the terms of (a) Declaration of Covenant, Conditions and Restrictions ("Covenant") (b) the Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, securing this Note, recorded in the official records of the County Recorder of Riverside County, California ("Deed of Trust"), and (d) this Note, which together with all other loan related documents and instruments are collectively referred to as the "Loan Documents."

1. This Note evidences the obligation of the Borrower to the City for the repayment of funds loaned to the Borrower by the City for the purpose of assisting the Borrower in the development of an access/homeless shelter on the real property located in Riverside County ("Property") and more fully described in the Deed of Trust.

2.

- a. Interest on the unpaid principal balance advanced under the Loan Documents and this Note shall accrue from the date referenced above at the simple interest rate of five percent (5%) per annum. Repayment of principal and interest shall be deferred as long as the Borrower operates per the Covenant, but no later than the Maturity Date set forth above. Notwithstanding the above, should Borrower fully comply with the

Covenant at all times until the Maturity Date, this Note shall be fully forgiven.

- b. All outstanding principal and accrued interest shall be due and payable on the Maturity Date indicated above.
  - c. Notwithstanding paragraph 2.b. above, all outstanding principal and accrued interest shall be immediately due and payable should the Property cease to be operated for the benefit of homeless services, in compliance with the Covenant, prior to the Maturity Date indicated above, whether as the result of a transfer or conveyance of the Property or otherwise, as determined in the sole discretion of the City.
3. The amount due and payable under this Note and the other Loan Documents is payable at the principal office of the City set forth above, or at such other place or places as the City may designate to the Borrower in writing from time to time, in any coin or currency of the United States of America which on the respective date of payment thereof shall be legal tender for the payment of public and private debts.
4. All covenants, conditions and agreements contained in the Deed of Trust and in the Covenant are hereby made a part of this Note. If any payment due under this Note is not paid when due and remains unpaid or any other default occurs under any of the terms of this Note or the other Loan Documents, the City, at its option, may declare the entire principal amount then outstanding and any and all accrued interest thereon due and payable immediately, upon the expiration of not less than thirty (30) days after the date written notice of the City's decision to accelerate is mailed to Borrower. Such written notice shall be given as provided herein. All such amounts due after acceleration shall bear interest at the rate of ten percent (10%) per annum. The City may exercise this option to accelerate during any default by Borrower regardless of any prior forbearance. In the event of default, the City may, at its option, exercise all of its rights and remedies enumerated herein, which rights are in addition to and not in limitation of any other rights the City may have under applicable law. The following events shall also constitute default under this Note:
- a. the Borrower becoming insolvent or bankrupt, being unable or admitting in writing its inability to pay its debts as they are due, or making a general assignment with creditors;
  - b. institution by or against the Borrower of proceedings for the appointment of a receiver, trustee, or liquidator of all or a substantial part of the assets of the Borrower, which proceedings are not dismissed within sixty (60) days of institution;

- c. institution by or against the Borrower of proceedings under any bankruptcy, reorganization, readjustment of debt, insolvency, dissolution, liquidation or other similar law of any jurisdiction, which proceedings are not dismissed within sixty (60) days of institution;
  - d. dissolution of the corporate or partnership structure of the Borrower or death of the Borrower, if Borrower is an individual; or
  - e. default of any terms under the Covenant, beyond the applicable cure period.
5. The Borrower hereby agrees to pay all costs and expenses, including reasonable attorney's fees, which may be incurred by the City in the enforcement of this Note, the Deed of Trust, or any term or provision thereof. Each maker, endorser, surety, and guarantor of this Note hereby jointly and severally waives demand, protest, presentment, notice of nonpayment, notice of protest, notice of dishonor, and diligence in bringing suit against any party and does hereby consent that time of payment of all or any part of said amount may be extended from time to time by the City without notice.
6. The obligations under this Note shall be without recourse against the Borrower and any principal of the Borrower. Notwithstanding anything in this Paragraph 6 to the contrary, Borrower shall be liable for each and all of the following:
- a. any fraud, intentional misrepresentation or omission, or other cause of action, that is independent of liability under the Loan Documents;
  - b. any waste or intentional destruction of the Property or of any collateral secured by the Deed of Trust;
  - c. all insurance proceeds, condemnation awards, or other sums or payments attributable to the Property not applied in accordance with the terms of the Loan Documents, except to the extent that such sums were not applied in accordance with the Loan Documents solely because Borrower did not have the legal right to so apply such sums because of a bankruptcy, receivership, or similar judicial proceeding;
  - d. all rents, lease payments, profits, issues and other income from the Development received by or on behalf of the Borrower following any event of default and not applied in accordance with the terms of the Loan Documents, except to the extent that such sums were not applied in accordance with the Loan Documents solely because Borrower did not have the legal right to so apply such sums because of bankruptcy, receivership, or similar judicial proceeding; and

- e. any liability arising under or pursuant to any Borrower indemnity contained in the Loan Documents.
7. No delay or failure of the City in the exercise of any right or remedy hereunder or under any other agreement which secures or is related hereto shall affect any such right or remedy, and no single or partial exercise of any such right or remedy shall preclude any further exercise thereof, and no action taken or omitted by the City shall be deemed a waiver of any such right or remedy.
8. Except for any notice required under applicable law to be given in another manner, any notices, demands or communications between the parties hereto shall be sufficiently given if, and shall not be deemed given unless, dispatched by certified mail, postage prepaid, return receipt requested or delivered by express delivery service with delivery receipt, to the address of the respective party as indicated in this Note, or to such other address as the respective party may have designated by written notice given to the other party in the manner provided herein. Such written notices, demands and communications shall be effective on the date shown on the delivery receipt as the date delivered, the date on which delivery was refused, or the date on which delivery was attempted.
9. This Note shall be binding upon the Borrower and its successors and assigns. The Borrower shall not make any sale, assignment, or conveyance, or transfer in any other form, of the Property or any part thereof or of any of its interests therein other than in accordance with the terms of the Deed of Trust and the Covenant and with the prior written approval of the City.
10. The Borrower shall be entitled to voluntarily pay the indebtedness evidenced by this Note, or any part thereof, prior to or in advance of the Maturity Date, only upon the prior written consent of the City. No such approved prepayment shall relieve Borrower from its obligations under the Covenant.
11. This Note shall be construed in accordance with and be governed by the laws of the State of California.
12. If any provision of this Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby unless, in the sole discretion of the City, the invalidity, illegality or unenforceability of the provision negates the Program purpose and/or threatens the security of the City.
13. The Borrower hereby certifies to the City that this is the Note described in and secured by the Deed of Trust covering the real and personal property therein described.

Executed as of the date first set forth above at Riverside, California.

BORROWER:

BORROWER'S ADDRESS:

Path of Life Ministries,  
a California nonprofit religions corporation

2840 Hulen Place  
Riverside, California 92507

By: D E H  
Name: Damien O'Farrell  
Its: CEO

By: Erin Phillips  
Name: Erin Phillips  
Its: Board Chair

06/07/17