

RECORDING REQUEST BY
AND WHEN RECORDED MAIL TO:

Housing Manager
City of Riverside
City Hall, 3900 Main Street
Riverside, California 92522

Project: Mt. Rubidoux Manor
3993 Tenth Street
Riverside, CA

No fee for recording pursuant to
Government Code Section 27383

FOR RECORDER'S OFFICE USE ONLY

FIRST AMENDMENT TO AGREEMENT CONTAINING COVENANTS,
CONDITIONS AND RESTRICTIONS AFFECTING REAL PROPERTY

THIS FIRST AMENDMENT TO AGREEMENT CONTAINING COVENANTS, CONDITIONS AND RESTRICTIONS AFFECTING REAL PROPERTY (the "First Amendment") is made and entered into as of November 1, 2017, by the Housing Authority of the City of Riverside, a public entity ("Agency"), and Mt. Rubidoux Manor, L.P., a California limited partnership ("Participant"), with reference to the following facts:

RECITALS

A. Participant is the fee owner of that certain real property ("Property") located at 3993 Tenth Street, Riverside, California, and legally described in Exhibit "A" attached hereto and incorporated herein by reference.

B. Participant's predecessor in interest, Riverside First Baptist Homes, Inc. dba Mt. Rubidoux Manor (the "Original Owner"), and Agency's predecessor in interest, the Redevelopment Agency of the City of Riverside, entered into that certain Owner Participation Agreement ("OPA") dated February 13, 1996, regarding the development of the Property. Under the OPA, Agency loaned Former Owner One Hundred and Eight Thousand Dollars (\$108,000) in exchange for the development of twelve (12) units of low income senior citizen housing.

C. In connection with the OPA, Former Owner was required to record that certain "Agreement Containing Covenants, Conditions and Restrictions Affecting Real Property" dated as of February 13, 1996, which was recorded against the Property on February 22, 1996, as Instrument No. 062463, in the Official Records of Riverside County, California (the "Covenant").

D. The Original Owner has conveyed its fee interest in the Property to the Participant, and the Original Owner has assigned, and the Participant has assumed, all obligations under the

Covenant and all other documents executed by the Original Owner in conjunction with the OPA pursuant to that certain assignment and assumption agreement dated concurrently herewith.

E. Participant desires to obtain an allocation of low-income housing tax credits (the "Tax Credits") from the State of California Tax Credit Allowance Committee, and obtain other financing sources for the rehabilitation of the Property.

F. In connection with the Tax Credits and such other financing sources, the Participant and the Housing Authority desire to make certain amendments to the Covenant as set forth in this First Amendment.

NOW THEREFORE, the Covenant is hereby amended as follows:

1. Paragraph 1 of the Covenant is hereby amended in its entirety as follows:

"1. The Participant hereby covenants and agrees for itself, its successors, assigns, and any successor in interest to the Property or any part thereof, that Participant, such successors, and assigns shall devote twelve (12) units of the Property to rental use for eligible senior citizens whose incomes do not exceed eighty percent (80%) of the Riverside area median income, as published annually by the Department of Housing and Urban Development, consistent with the Agreement approved by the Agency."

2. Paragraph 4 of the Covenant is deleted in its entirety and replaced with the following:

"4. The Participant covenants and agrees for itself, its successors, assigns and any successor in interest to the Property, that there shall be no discrimination or segregation of any person, or group of persons, on account of race, religion, color, national origin, ancestry, creed, physical handicap, age (other than lawful senior housing in accordance with applicable law), marital status, sex, sexual orientation, gender, gender expression or gender identity in the sale, transfer, use, occupancy, or enjoyment of the Property or any part thereof, nor shall the Participant itself or any person claiming under or through the Participant establish or permit any such practice or practices of discrimination or segregation with reference to the Property."

3. Paragraph 5 of the Covenant is deleted in its entirety and replaced with the following:

"5. To the extent required by applicable law, all deeds, leases or contracts made or entered into by Participant, its successors or assigns, as to any portion of the Property shall contain therein the following language:

- a) In Deeds:

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

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1)."

b) In Leases:

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

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older

persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1)."

c) In Contracts:

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

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

Nothing in this Section prohibits the Participant from operating the Property as a senior housing project in accordance with applicable law."

4. Paragraph 6 of the Covenant is hereby amended in its entirety as follows:

"6. Intentionally Deleted."

5. Paragraph 8 of the Covenant is hereby amended in its entirety as follows:

"8. The covenants established herein shall, without regard to technical classification and designation, be binding on the Participant and any successor in

interest to the Property or any part thereof for the benefit and in favor of the Agency, its successors and assigns. The covenants against discrimination described in paragraphs 4 and 5 shall remain in perpetuity. The covenants pertaining to use, sale and refinancing of the Property as described in the above paragraphs shall commence as of the date set forth above and remain in effect until December 31, 2072 (the "Term"), at which time this Covenant shall automatically terminate without further action of the parties."

6. Paragraph 11 of the Covenant is hereby amended in its entirety as follows:

"11. Intentionally Deleted."

7. Paragraphs 12, 13, 14, 15, and 16 are hereby added to the Covenant as follows:

"12. Participant shall manage, operate and maintain the Property in first class condition and in accordance with professional property management standards for similar properties in the Southern California area and shall maintain or cause to be maintained the interiors and exteriors of the Units in a decent, safe and sanitary manner. The Units shall be maintained in accordance with the requirements of the City's Municipal Code and all applicable Governmental Regulations.

The parties acknowledge that Agency is interested in the long term management and operation of the Property and in the qualifications of any person or entity retained by the Participant for that purpose ("Property Manager"). Participant shall submit for the reasonable approval of the Agency, a detailed "Management Plan" which sets forth in detail the duties of the Property Manager, the tenant selection process, a security system and crime prevention program, the procedures for the collection of rent, the procedures for monitoring of occupancy levels, the procedures for eviction of tenants, the rules and regulations of the Property and manner of enforcement, a standard lease form, and other matters relevant to the management of the Property. The Participant may from time to time submit amendments and modifications to the Management Plan for the reasonable approval of the Agency. The management of the Property shall be in compliance with the approved Management Plan.

Participant shall contract for property management services with an experienced and qualified property management entity (based upon the criteria set forth herein below) as approved by Agency. Agency shall provide notice to Participant of any default and Participant shall use its best efforts to correct such default. Upon failure by the Property Manager and/or Participant to cure such default within thirty (30) days of written notice by the Agency, the Agency shall have the right to require Participant to immediately remove and replace the Property Manager with another property manager or property management company who is reasonably acceptable to Agency, but, in all events subject to

approval of any existing senior lender(s) (the "Lender") or investor(s) (the "Investor", and collectively with the Lender, the "Financing Parties") providing financing to the Participant, and who has not less than five (5) years' experience in property management, including experience managing multifamily residential developments of the size, quality and scope of the Property. The rights of the Agency set forth in this paragraph shall be subject to the prior written approval of the Financing Parties, and the Agency agrees to cooperate, in good faith, with the Financing Parties in connection with any proposed substitution or replacement of the Property Manager. The Agency hereby pre-approves any affiliate of Beacon Communities, Inc., or any affiliate or transferee of any of the Financing Parties as a replacement property manager.

The fee paid to Property Manager shall not exceed the reasonable and customary fees paid to such property managers for similar rental properties in Riverside County. Other fees and payment shall be consistent with prevailing market rates for the services performed and goods provided in consideration for such fees and payments. The Participant shall ensure that the expenses of operating the Property do not materially exceed the budget which has been approved by the Agency. The Participant shall annually provide to the Agency a detailed accounting of operating expenses and shall make available its books and records to the Agency for inspection and copying, upon reasonable notice during its normal hours of business.

13. Throughout the Term, the Participant covenants and agrees to participate in and fully complete the City's Crime Free Multi Housing Program for the Site within twelve (12) months following the execution of the Covenant by Participant. Participant shall continue its compliance with the City's Crime Free Multi Housing Program throughout the Affordability Period. Evidence of compliance with this requirement shall be forwarded annually to the Agency within said twelve (12) month period.

14. Throughout the Term, the Participant covenants and agrees to provide to the Agency, on an annual basis, a written report on the Participant's reserve accounts required to be established and maintained by Participant pursuant to the requirements of the Financing Parties. Among other things, such report shall set forth the current balance of the reserve accounts, the use of the reserve account funds in the previous years, and the projected expenditures from such reserve account in the current year. The Agency agrees that any annual report, accounting, or documentation delivered to the Agency, which is prepared by the Participant for any of the Financing Parties, shall be deemed to satisfy this paragraph so long as such documentation sets forth the information required under this paragraph.

15. In the event of a breach under this Agreement, the Agency shall provide to the Participant written notice of the alleged breach and the Participant shall have thirty

(30) days to cure the breach or, if such breach cannot reasonably be cured within thirty (30) days, the Participant shall commence to cure within thirty (30) days and thereafter shall diligently complete such cure. Any cure offered by the Participant's limited partner shall be accepted as if such cure were offered by the Participant. Any notice delivered to Participant shall be addressed as follows (unless Participant provides Agency a different address):

Participant:

Mt. Rubidoux Manor, L.P.
c/o Beacon Communities, Inc.
6120 Stoneridge Mall Road, Suite 300
Pleasanton, CA 94588
Attn: President

With a copy to:

Alliant Credit Facility II, LLC
c/o Alliant Asset Management Company LLC
21600 Oxnard Street, Suite 1200
Woodland Hills, California 91367
Attention: General Counsel

16. Notwithstanding the provisions of the Covenant, the Agreement, or any other document evidencing the Agency Loan, the following transfers shall be permitted and are hereby approved by the Agency: (i) Any deed of trust in favor of the Lender; (ii) Any transfer directly resulting from the foreclosure of a deed of trust or the granting of a deed in lieu of foreclosure in favor of the Lender; (iii) The admission of Alliant Credit Facility II, LLC, a Florida limited liability company, and Alliant Credit Facility ALP II, LLC, a Florida limited liability company, as limited partners of the Participant, and any subsequent transfer or assignment of such limited partner interests; (iv) Following the expiration of the fifteen (15) year compliance period as described in Section 42(i)(1) of the Internal Revenue Code, any transfer of the Property to the general partner of the Participant, Beacon Communities, Inc., Riverside First Baptist Homes, Inc., or an affiliate of such entities; and (v) the removal and replacement of the managing general partner of the Participant by a limited partner of Participant for cause following default under the Participant's amended and restated partnership agreement."

7. The terms of the Covenant, as amended hereby, not otherwise in conflict with this First Amendment, are hereby reaffirmed and remain in full force and effect

8. The Covenant, and this First Amendment, shall run with the land and each and all of its terms shall be binding upon the Declarants, their successors and assigns, and shall continue in force and effect until the expiration of the Term (as set forth above) or such time as released by the Community Development Director, of the City of Riverside, California.

9. All references to the Covenant in the OPA, or in any document executed by the Original Owner in conjunction with the loan set forth in the OPA shall be deemed to mean the Covenant as amended by this First Amendment.

10. This First Amendment may be executed in counterparts, each of which shall be deemed to be one and the same instrument.

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IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed as of the day and year first written above.

PARTICIPANT:

MT. RUBIDOUX MANOR, L.P.,
a California limited partnership

By: Mt. Rubidoux Manor LLC, a California
limited liability company, its managing
general partner

By: Beacon Communities, Inc., a
California nonprofit public benefit
corporation, its manager

By: 
Ancel Romero, President

Signatures continue on following page

AGENCY:

HOUSING AUTHORITY OF THE
CITY OF RIVERSIDE, a public entity

By: _____

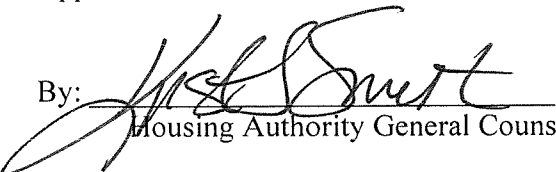
Executive Director

Attested to:

By: _____

Authority Secretary

Approved as to Form:

By:  _____
Housing Authority General Counsel

Signatures must be notarized

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

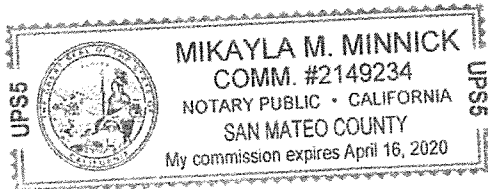
STATE OF CALIFORNIA)

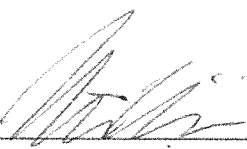
COUNTY OF San Mateo)

On November 1, 2017, before me, Mikayla M. Minnick, Notary Public, personally appeared Aniel Romero, 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.




Name: Mikayla M. Minnick
Notary Public

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, _____, Notary Public, personally appeared _____, 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.

Name: _____
Notary Public

STATE OF CALIFORNIA)
)
COUNTY OF _____)

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

Name: _____
Notary Public

EXHIBIT "A"
LEGAL DESCRIPTION

EXHIBIT "A"
LEGAL DESCRIPTION

Address: 3991 10th Street
A.P.N.: 215-021-006

That certain real property located in the City of Riverside, County of Riverside, State of California, described as follows:



Lots 1 to 19, inclusive, in Block 3 of Dr. C. Whittier's Subdivision of Blocks 8 and 9, Range 9 of the Town of Riverside as shown by map on file in Book 3, Page 8 of Maps, Records of San Bernardino County, California.

TOGETHER WITH that portion of the alley in said Block lying Northwesterly of the Northeasterly prolongation of the Southeast line of said Lot 19.

EXCEPTING THEREFROM the Southwesterly 10 feet of said Lot 5, Lot 6 and Lot 7 as conveyed to the City of Riverside.

ALSO EXCEPTING THEREFROM that portion of said Lot 4 lying Southwesterly of a line 10 feet Northeasterly of the Southwesterly line of said Lot 4 and Northwesterly of a line 10 feet Northwesterly of the Southeasterly line of said Lot 4 as conveyed to the City of Riverside.

This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

 10/6/17 Prep. 
Curtis C. Stephens, L.S. 7519 Date

