

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



ITEM: 3.15
(ID # 18750)

MEETING DATE:
Tuesday, August 02, 2022

FROM : HOUSING AND WORKFORCE SOLUTIONS:

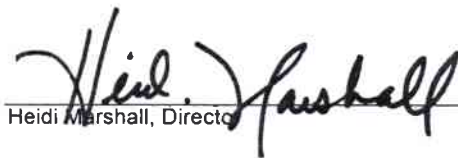
SUBJECT: HOUSING AND WORKFORCE SOLUTIONS (HWS): Approve the Form of Loan Agreement for the Use of American Rescue Plan Act (ARPA) Funds for Project Legacy and the Health and Justice Center in the City of Riverside and Authorize the Director of HWS to Execute the ARPA Loan Agreement and Covenant Agreement, District 2. [\$2,000,000 – 100% Federal ARPA Funds] (4/5 Vote Required)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached form of Loan Agreement for the Use of ARPA Funds, including all attachments thereto (ARPA Loan Agreement), between the County of Riverside and Young Scholars for Academic Empowerment dba TruEvolution, a California nonprofit corporation, providing a loan derived from the ARPA Allocation in the amount of \$2,000,000 (ARPA Loan), to be used to pay a portion of the construction costs for a transitional housing project for purposes of providing decent, safe, and sanitary transitional housing to homeless individuals or individuals at risk of homelessness, including vulnerable populations such as LGBTQ youth, seniors, and individuals living with HIV or AIDS;

Continued on page 2

ACTION:Policy, 4/5 Vote Required


Heidi Marshall, Director

4/5/2022


Cynthia M. Gurtzel, Chief Deputy County Counsel

7/25/2022

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: August 2, 2022
xc: HWS

Kecia R. Harper
Clerk of the Board

By 
Deputy

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

RECOMMENDED MOTION: That the Board of Supervisors:

2. Approve the attached forms of Deed of Trust and Assignment of Rents, Loan Promissory Note (ARPA Loan) and Covenant Agreement;
3. Authorize the Director of the Housing and Workforce Solutions (HWS), or designee, to execute the ARPA Loan Agreement and Covenant Agreement conforming in form and substance to the attached ARPA Loan Agreement and Covenant Agreement, subject to approval as to form by County Counsel;
4. Authorize the Director of the HWS, or designee, to take all necessary steps to implement the ARPA Loan Agreement, including but not limited to, signing subsequent necessary and relevant documents, subject to approval as to form by County Counsel; and
5. Approve and direct the Auditor-Controller to make the budget adjustment as detailed in the attached Schedule A.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$2,000,000	\$ 0	\$2,000,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: American Rescue Plan Act (ARPA) Funds (100%)			Budget Adjustment: Yes	
			For Fiscal Year: 22/23	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Housing Authority of the County of Riverside (HACR) , in partnership with Young Scholars for Academic Empowerment dba TruEvolution, a California nonprofit corporation, on September 2020 submitted a funding application to the State of California Department of Housing and Community Development and received a \$4,052,457 Homekey Program award for the acquisition of six contiguous properties located at 3839, 3853, 3865, 3879 Brockton Avenue, 4145 9th Street and 4132 University Avenue in Riverside, CA 92501, for a transitional housing project for purposes of providing decent, safe, and sanitary transitional housing to homeless individuals or individuals at risk of homelessness, including vulnerable populations such as LGBTQ youth, seniors, and individuals living with HIV or AIDS (Project Legacy).

Tenants will be allowed to live at Project Legacy for up to 24 months, with the goal of transitioning tenants to permanent housing after tenants are equipped with the skills needed to become self-sufficient. Once tenants are transitioned to permanent housing, wrap around services will continue to be available should needed. One of the properties is a commercial building that will become an on-site community Health and Justice Center, where wrap around

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services will be provided to tenants living at Project Legacy and resources be made available to the public.

TruEvolution has commenced construction but has identified a funding gap due to the additional work required for seismic retrofitting of the buildings required under new building codes, having to underground electrical wires, cost increase in material and labor, and increase cost increase in insurance premium. TruEvolution is requesting \$2,000,000 in ARPA funds to complete the proposed work for Project Legacy and the Health and Justice Center.

The total acquisition and rehabilitation cost for Project Legacy and the Health and Justice Center is estimated at \$20,364,955. In addition to the ARPA and State Homekey funds, County of Riverside provided a \$1,900,000 CARES Act loan; HACR provided a \$1,000,000 Housing Opportunities with AIDS (HOPWA) loan; County of Riverside Continuum of Care provided a \$634,498 Homeless Housing, Assistance, and Prevention Program (HHAP) loan; California Department of Housing and Community Development provided \$10,000,000 grant; and TruEvolution is deferring \$778,000 of their developer fee.

On October 19, 2021, the Board of Supervisors allocated \$50,000,000 for the purpose of addressing homelessness through development of affordable housing and providing shelter. The \$50,000,000 allocated by the Board will be further divided into five \$10,000,000 investments to each Supervisorial District. The funding allocated by the Board was funding the County expects to receive as part of the American Rescue Plan Act of 2021 (Pub. L 117-2). These funds are to focus on projects and/or programs that serve as a pathway to transition into permanent housing with the necessary supporting infrastructure. An allowable eligible use of ARPA funds includes increasing transitional housing for those disproportionately affected by the COVID-19 pandemic.

The terms of the proposed ARPA Loan and obligations of TruEvolution and the County are memorialized in the proposed Loan Agreement for the Use of ARPA Funds, including all exhibits, attached hereto (ARPA Loan Agreement). County Counsel has reviewed and approved as to form the attached form of the Loan Agreement for the Use of ARPA Funds, form of the ARPA Loan Deed of Trust, form of the ARPA Loan Promissory Note, and form of the ARPA Covenant Agreement. Staff recommends that the Board approve forms of the Loan Agreement for the Use of ARPA funds, ARPA Loan Leasehold Deed of Trust, ARPA Loan Promissory Note, and ARPA Covenant Agreement.

Impact on Citizens and Businesses

The construction of Project Legacy and the Health and Justice Center will have a positive impact on residents and businesses as it will provide needed affordable housing and mitigate health and safety issues affecting the property making it a decent and safe place for homeless LGBTQ youth living with HIV or AIDS to live. The project is also expected to create jobs in construction, property maintenance and property management.

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SUPPLEMENTAL:

Additional Fiscal Information

No impact upon the County's General Fund; the County's contribution to the Project will be fully funded with American Rescue Plan Act (ARPA) funds allocated from California's direct allocation of federal ARPA funds.

Attachments:

- Form of the Loan Agreement for the Use of ARPA Funds, including all exhibits Forms of the ARPA Loan Deed of Trust, ARPA Loan Promissory Note and ARPA Covenant Agreement
- Schedule A


Evangelina Gregorio 7/27/2022


Brianna Lontajo, Principal Management Analyst 7/27/2022

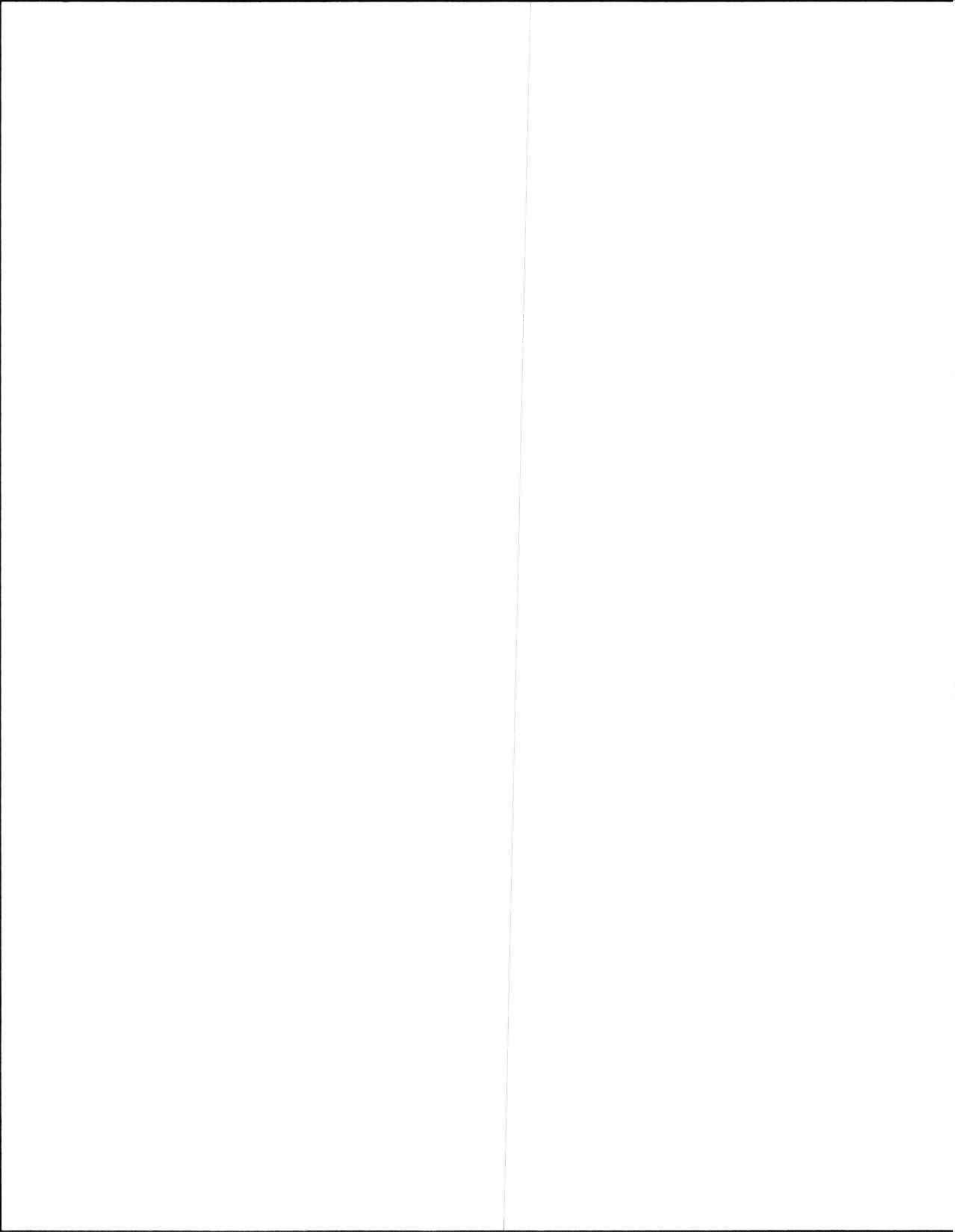
SCHEDULE A
Housing and Workforce Solutions
Budget Adjustment
Fiscal Year 2022/2023
County of Riverside ARPA Loan

Increase in Appropriations:

21735-5501000000-536200	Contrib. To Other Non-County Agency	\$ 2,000,000
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Increase in Estimated Revenues:

21735-5501000000-763520	Fed-American Rescue Plan Act	\$ 2,000,000
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1 NO FEE FOR RECORDING PURSUANT

2 TO GOVERNMENT CODE SECTION 6103

3 Order No.

4 Escrow No.

5 Loan No.

6 RECORDING REQUESTED BY AND
7 WHEN RECORDED MAIL TO:

8 County of Riverside

9 Housing and Workforce Solutions

10 3403 10th Street, Suite 300

11 Riverside, CA 92501

12 Attn: Juan Garcia

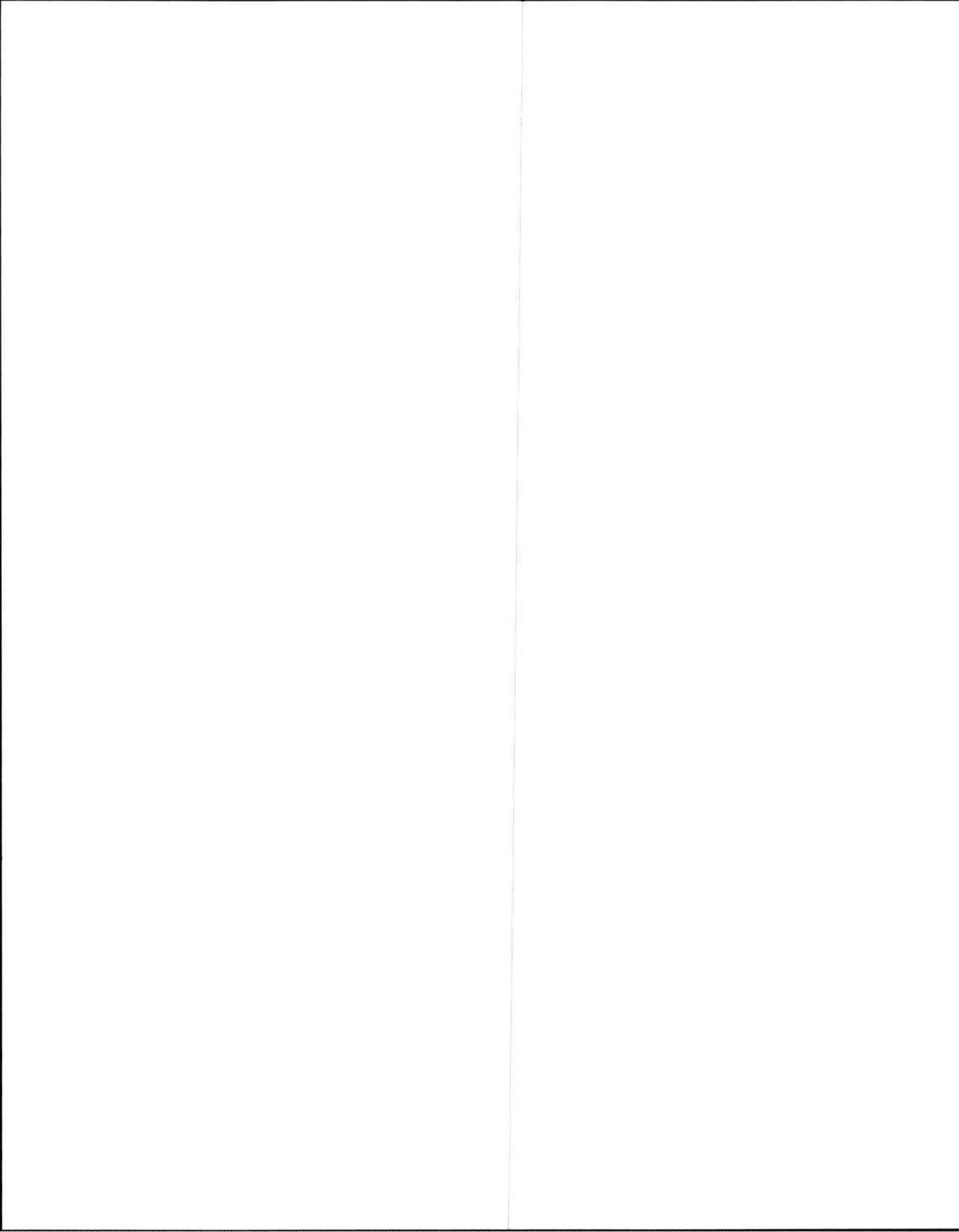
13 SPACE ABOVE THIS LINE FOR RECORDER'S USE

14 LOAN AGREEMENT FOR THE USE OF
15 AMERICAN RESCUE PLAN ACT (ARPA) FUNDS

16 This LOAN AGREEMENT FOR THE USE OF AMERICAN RESCUE PLAN ACT
17 FUNDS ("Agreement") is made and entered into this _____ day of _____, 2022
18 by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California
19 ("COUNTY") and YOUNG SCHOLARS FOR ACADEMIC EMPOWERMENT, dba
20 TRUEEVOLUTION, INC., a California nonprofit public benefit corporation ("BORROWER").
21 The COUNTY and BORROWER may be individually referred to herein as a "Party" and
22 collectively as the "Parties." This Agreement, for the use of U.S. Department of the Treasury
23 ("U.S. Treasury") Coronavirus State and Local Fiscal Recovery Funds ("SLRF") under the
24 American Rescue Plan Act of 2021 (Pub. L. 117-2), amending Title VI of the Social Security
25 Act (42 U.S.C. 801 et seq.), hereinafter "ARPA" or the "Act", is made and entered into as of the
26 Effective Date (defined herein).

27 WITNESSETH:

28 WHEREAS, on March 11, 2021, to address the negative economic impacts of the COVID-
19 pandemic, President Joseph R. Biden into law the Act, and on January 6, 2022, the U.S.
Treasury adopted a Final Rule implementing the "SLFRF"; and



1 WHEREAS, state, territorial, local and tribal governments must comply with the Final
2 Rule by April 1, 2022 when the Final Rule takes effect; and

3 WHEREAS, the Act, the regulations promulgated in 31 CFR Part 35, and the Final Rule
4 (collectively, the “ARPA Rules”) provide that SLFRF may be used to cover costs that are
5 necessary expenditures incurred due to the public health emergency of the COVID-19 pandemic;
6 and

7 WHEREAS, on October 19, 2021, via Minute Order 3.5, the Board of Supervisors of the
8 County of Riverside approved allocating \$50,000,000 in ARPA funds to increase shelter
9 capacity, permanent supportive housing units and affordable housing to help address
10 homelessness; and

11 WHEREAS, BORROWER is proposing to utilize the SLFRF funds to pay a portion of the
12 costs to develop and rehabilitate six (6) contiguous properties and convert them into a transitional
13 housing development consisting of five residential buildings and a commercial building which will
14 be used as office space and on-site community Health and Justice Center, where wrap around
15 services will be provided to tenants living at Project Legacy and resources be made available to
16 the public (collectively, the “Project”). The Project will be located at 3839, 3853, 3865, and 3879
17 Brockton Ave.; 4145 9th St; and 4132 University Ave.; in Riverside, CA 92501 Assessor’s Parcel
18 Numbers: 214-292-008, 214-292-009, 214-292-010, 214-292-022, 214-292-013, and 214-292-005
19 (“Property”), as more specifically described in the legal description attached hereto and
20 incorporated herein as **Exhibit A**;

21 WHEREAS, the purpose of this Agreement is, among other things, for COUNTY to
22 provide financial assistance to BORROWER in the maximum amount of Two Million Dollars
23 (\$2,000,000.00) consisting of ARPA funds, to fund a portion of the rehabilitation costs of the
24 Property, as more fully described herein; and

25 WHEREAS, pursuant to 31 CFR Part 35.6, one of the Eligible Uses (as defined under
26 ARPA Rules) of the SLFRF is to respond to the public health emergency or its negative
27 economic impacts for the purpose of assisting low-income households and individuals
28

1 disproportionately impacted by the COVID-19 pandemic through the development, repair and
2 operation of affordable housing and services or programs to increase long-term housing security;
3 and

4 WHEREAS, the ARPA-assisted activities described herein comply with the Eligible Uses
5 under ARPA Rules in that they are necessary to assist populations experiencing food and housing
6 insecurity as a result of impacts due do to the COVID-19 public health emergency.

7 NOW, THEREFORE, based upon the foregoing Recitals and for good and valuable
8 consideration, the receipt and sufficiency of which is acknowledged by all Parties, the COUNTY
9 and BORROWER hereby agree as follows:

10 1. PURPOSE. The aforementioned Recitals are true and correct and incorporated
11 herein by this reference. COUNTY has agreed to lend up to a maximum total of Two Million
12 Dollars (\$2,000,000.00) in ARPA funds (“ARPA Loan”) to BORROWER upon the satisfaction
13 of the terms and conditions set forth herein, including but not limited to the conditions precedent
14 to distribution of the ARPA Loan set forth in **Section 11** below. Subject also to **Sections 48**
15 below, BORROWER shall undertake and complete the ARPA activities required herein and as
16 set forth in **Exhibits A and A-1**, and shall utilize the ARPA Loan, as required herein and
17 pursuant to the ARPA Final Rule that become effective April 1, 2022. BORROWER will serve
18 people that are experiencing homelessness, or at risk of homelessness vulnerable populations
19 impacted by the COVID-19 pandemic such as LGBTQ youth, seniors and individuals living with
20 HIV or AIDS (“Qualified Population(s)”).

21 2. BORROWER’S OBLIGATIONS. Upon the commencement of the Effective Date
22 (defined in **Section 55** below), BORROWER hereby agrees to undertake and complete the
23 following activities within the time period(s) set forth herein and in **Exhibit A-1**:

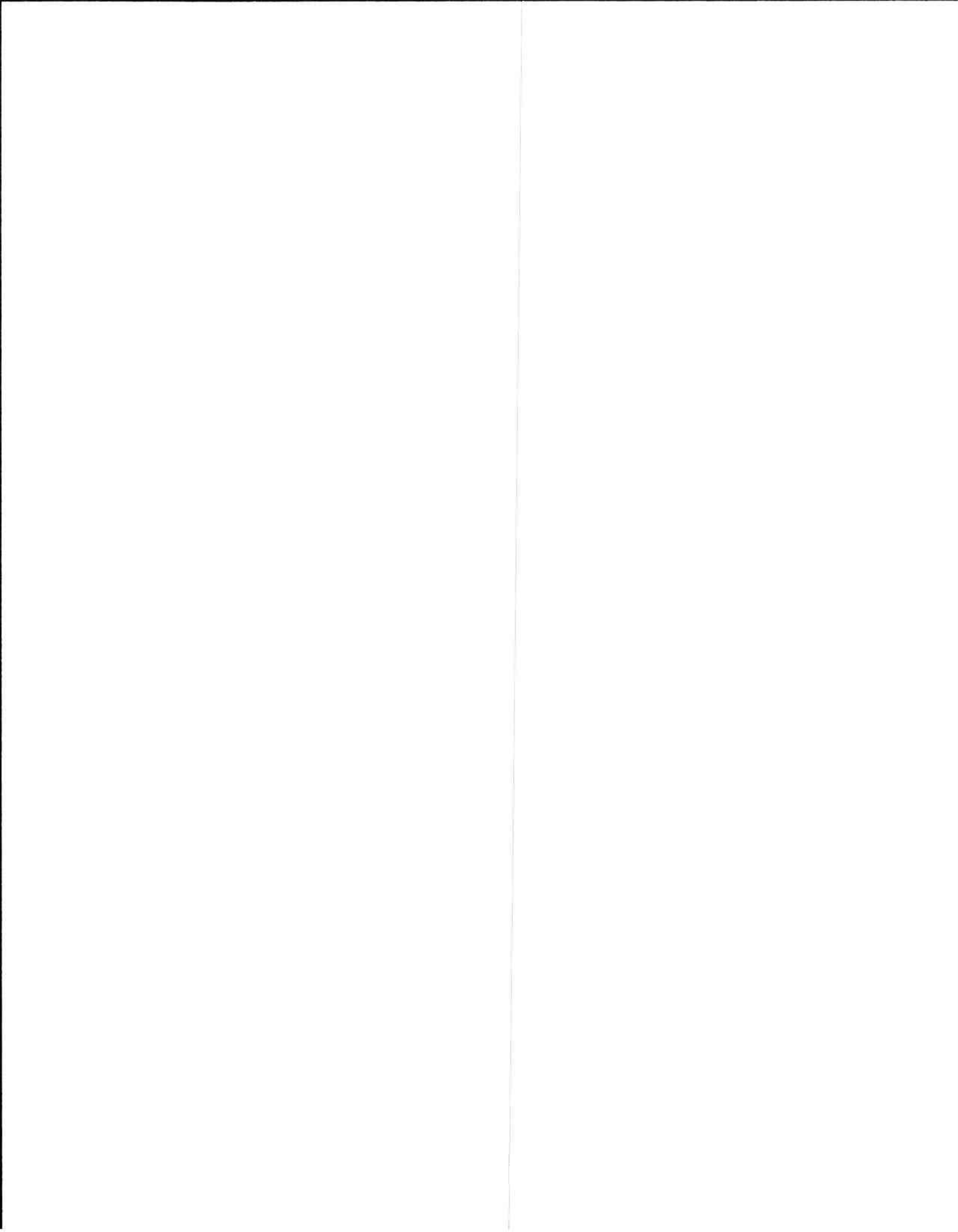
- 24 a. Satisfy the conditions precedent to distribution of the ARPA Loan set forth in
25 **Section 11** below.
- 26 b. Fund the Project in accordance with the timeline set forth in **Exhibit A and A-**
27 **1**.

- 1 c. Operate the Project in such a manner so that it will remain available to the
2 Qualified Population for the Affordability Period as defined in **Section 14**
3 below without regard to (i) the term of the promissory note or (ii) transfer of
4 ownership.
- 5 d. Maintain the Project in compliance with applicable local, state, federal laws,
6 codes and regulations as further described in **Section 17** below until the
7 expiration of the Term of this Agreement set forth in **Section 6** below, and the
8 Affordability Period set forth in **Section 14** below.
- 9 e. The SLFRF funds shall be used for only Eligible Uses under the ARPA Rules
10 and to cover “cost incurred” by BORROWER between January 1, 2022 and
11 July 1, 2023. BORROWER shall demonstrate to the COUNTY, in the
12 COUNTY’s sole and absolute discretion, that the SLFRF funds is deemed fully
13 expended in compliance with the ARPA Rules that relate to loans.

14 3. RESERVED.

15 4. ARPA LOAN. Subject to BORROWER’s satisfaction of the conditions precedent
16 to disbursement of the ARPA Loan set forth in **Section 11** below, COUNTY shall distribute the
17 ARPA Loan to BORROWER, pursuant to the following terms and conditions:

- 18 a. Term of ARPA Loan. The maturity date of the ARPA Loan shall be the later
19 to occur of (i) July 1, 2077 or (ii) fifty-five (55) years from the recordation of
20 the Covenant Agreement in the Official Records for the Project (the “ARPA
21 Loan Term”). The term, “Official Records” used herein shall mean the Official
22 Records of the Recorder’s Office of the County of Riverside.
- 23 b. Principal. The total amount of the ARPA Loan shall not exceed
24 \$2,000,000.00, and shall be evidenced by a Promissory Note, substantially
25 conforming in form and substance to the Promissory Note attached hereto and
26 incorporated herein as **Exhibit C** (“ARPA Note”), which note shall be secured
27 by a Deed of Trust, Security Agreement and Fixture Filing (with Assignment
28



1 of Rents), substantially conforming in form and substance to the Deed of Trust,
2 Security Agreement and Fixture Filing (with Assignment of Rents) attached
3 hereto and incorporated herein as **Exhibit B** (“ARPA Deed of Trust”).

4 c. Interest. The interest rate shall be zero percent (0%) simple interest per annum.

5 d. Repayment. The terms of the ARPA Note shall be as follows:

6 i. That the ARPA Loan will accrue simple interest at a rate of zero
7 percent (0%) per annum, as more specifically set forth in the ARPA
8 Note.

9 ii. The ARPA Note shall be deferred and forgiven at the end of the Term
10 of the Agreement if the BORROWER has complied with the terms of
11 the ARPA Loan.

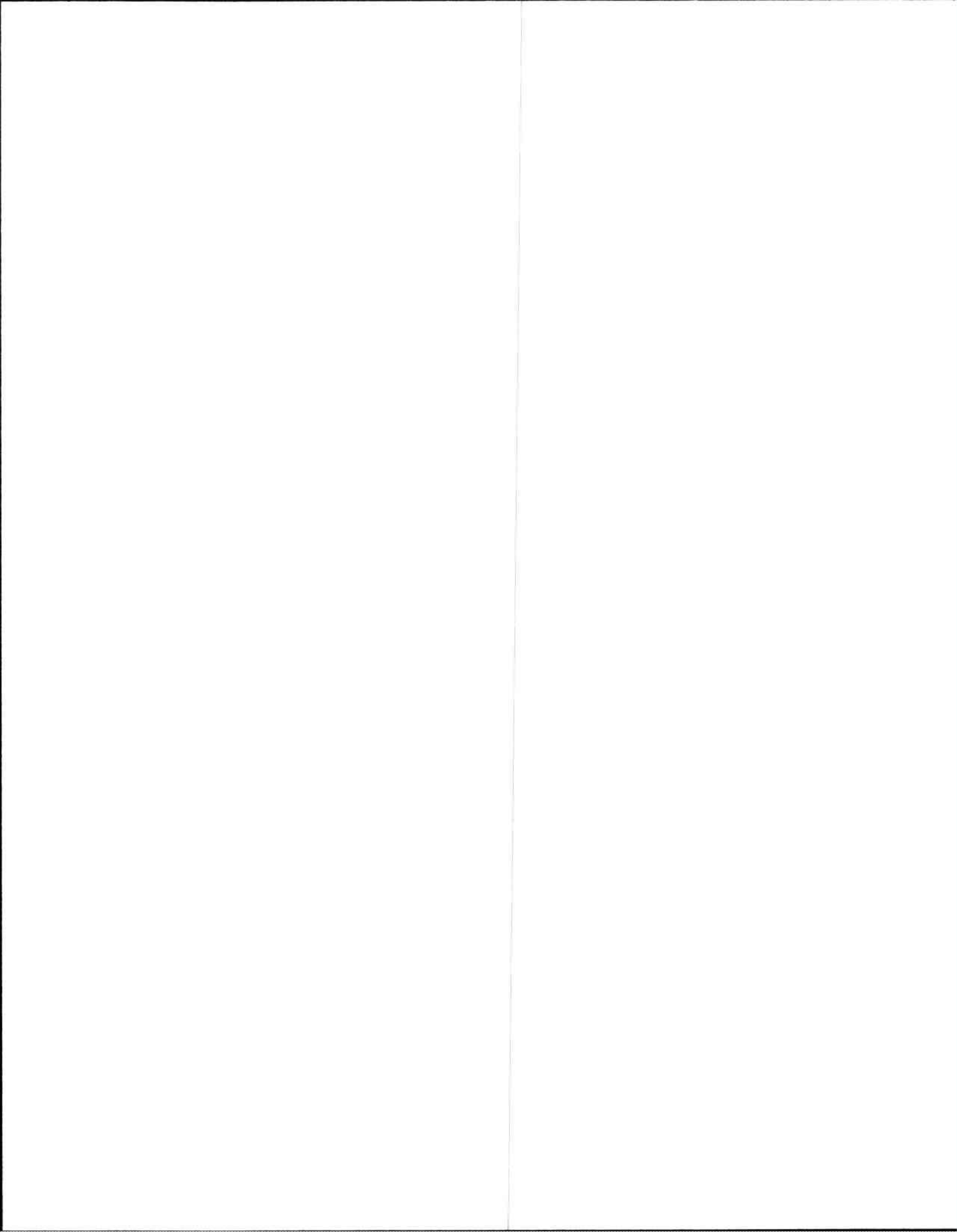
12 iii. Security. The Covenant Agreement (defined below), the ARPA Deed
13 of Trust and this Agreement shall be recorded in the Official Records
14 of the County of Riverside (“Official Records”).

15 5. PRIOR COUNTY APPROVAL.

16 a. Except as otherwise expressly provided in this Agreement, approvals required
17 of the COUNTY shall be deemed granted by the written approval of the
18 Director of Housing and Workforce Solutions (“HWS”), or designee.
19 Notwithstanding the foregoing, the Director may, in their sole discretion, refer
20 to the governing body of the COUNTY any item requiring COUNTY
21 approval; otherwise, “COUNTY approval” means and refers to approval by
22 the Director of HWS, or designee.

23 b. The Director of HWS, or designee, shall have the right to make changes to the
24 attachments to this Agreement in order to ensure that all such attachments are
25 consistent with the terms and provisions of this Agreement.

26 6. TERM OF AGREEMENT. This Agreement shall become effective upon the
27 Effective Date, as defined in **Section 55** below, and unless terminated earlier pursuant to the
28



1 terms hereof, shall continue in full force and effect until the later to occur of (i) July 1, 2077 or
2 (ii) fifty-five (55) years from the recordation of the Covenant Agreement in the Official Records
3 for the Project (“Term of Agreement”).

4 7. BORROWER’S REPRESENTATIONS. BORROWER represents and warrants
5 to COUNTY as follows:

6 a. Authority. BORROWER has full right, power and lawful authority to enter
7 into this Agreement and accept the ARPA Loan and undertake all obligations
8 as provided herein. The execution, performance, and delivery of this
9 Agreement by BORROWER have been fully authorized by all requisite
10 actions on the part of BORROWER.

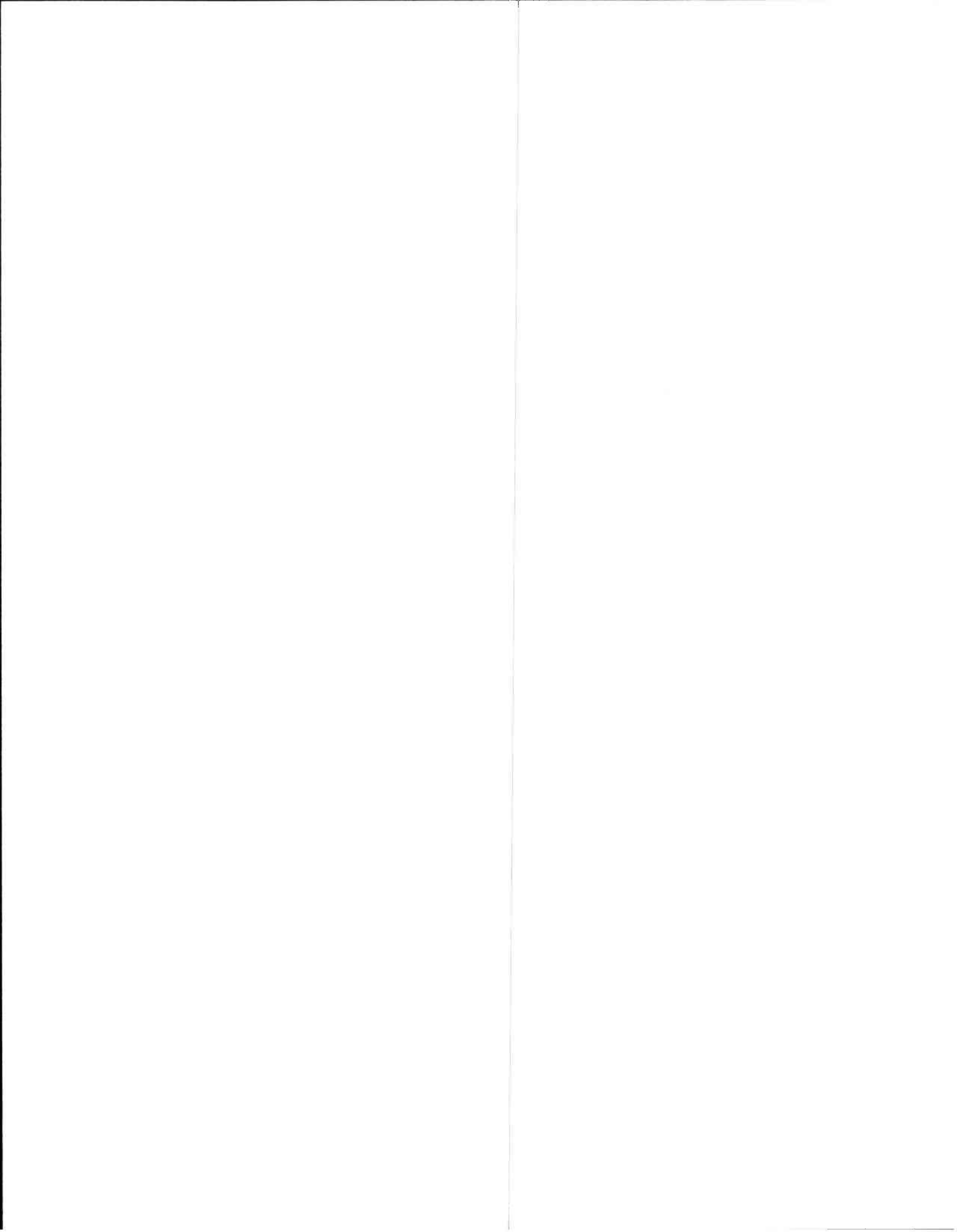
11 b. No Conflict. To the best of BORROWER’s knowledge, BORROWER’s
12 execution, delivery and performance of its obligations under this Agreement
13 will not constitute a default or a breach under contract, agreement or order to
14 which BORROWER is a party or by which it is bound.

15 c. No Bankruptcy. BORROWER is not the subject of a bankruptcy proceeding.

16 d. Prior to Closing. BORROWER shall, upon learning of any fact or condition
17 which would cause any of the warranties and representations in this **Section 7**
18 not to be true as of close of escrow, immediately give written notice of such
19 fact or condition to COUNTY. Such exception(s) to a representation shall not
20 be deemed a breach by BORROWER hereunder but shall constitute an
21 exception which COUNTY shall have the right to approve or disapprove if
22 such exception would have an effect on the value and/or operation of the
23 Project.

24 8. COMPLETION SCHEDULE. BORROWER shall proceed consistent with the
25 Implementation Schedule set forth in **Exhibit A-1**, as such schedule may be amended pursuant
26 to **Section 10**, and subject to Force Majeure Delays as defined in **Section 9**.

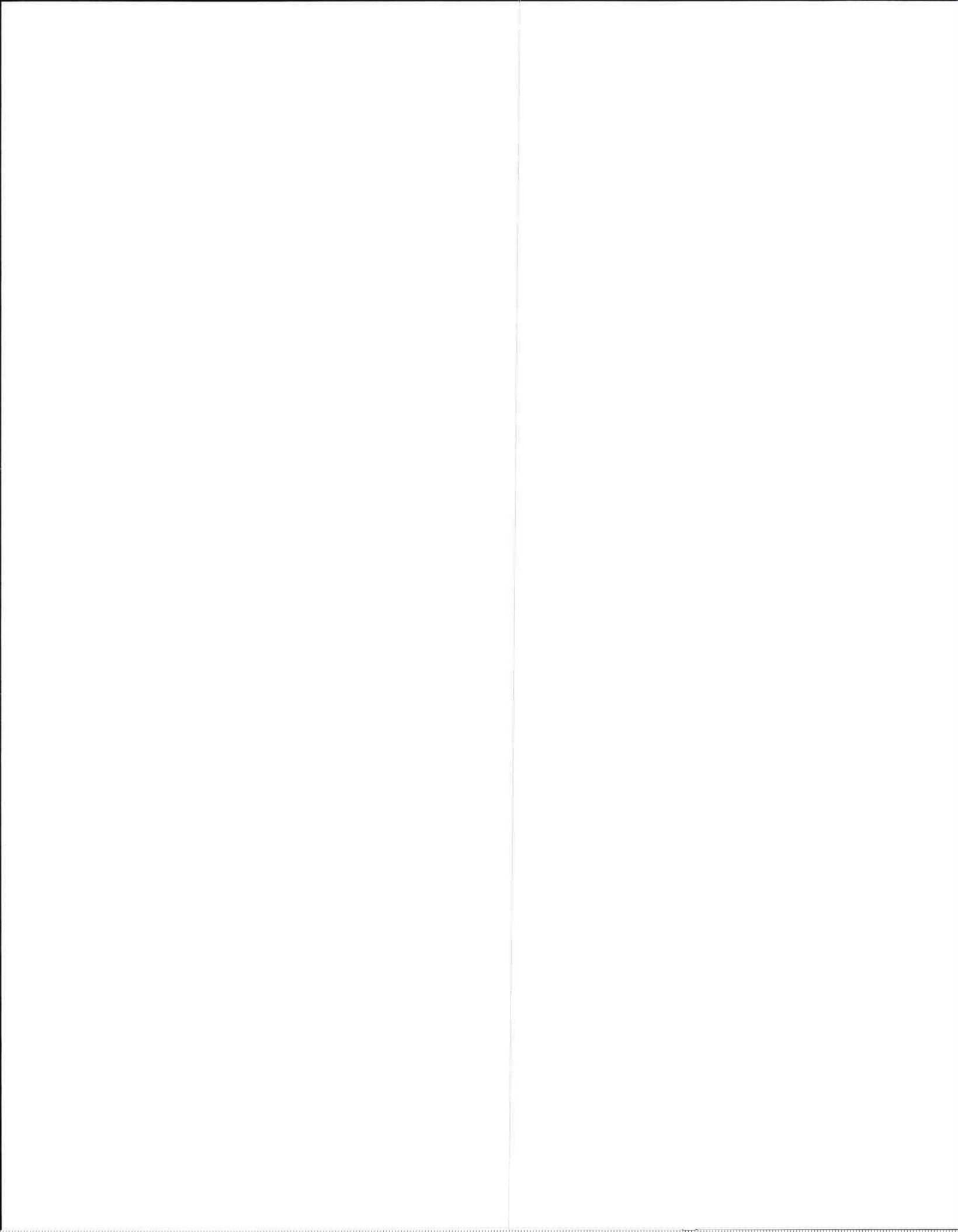
27 9. FORCE MAJEURE DELAYS. “Force Majeure” means event(s) beyond the
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1 reasonable control of BORROWER, and which could not have been reasonably anticipated,
2 which prevent(s) BORROWER from complying with any of its obligations under this
3 Agreement, including, but not limited to: acts of God, acts of war, acts or threats of terrorism,
4 civil disorders, strikes, labor disputes, pandemics such as COVID-19, flood, fire, explosion,
5 earthquake or other similar acts.

6 "Force Majeure Delay" is delay due to Force Majeure that, in each case, (i)
7 materially adversely affects the performance by BORROWER of its obligations hereunder, (ii)
8 is not reasonably foreseeable and is beyond BORROWER's reasonable control, (iii) despite the
9 exercise of reasonable diligence, cannot be prevented, avoided or removed by BORROWER and
10 is not attributable to the negligence, willful misconduct or bad faith of BORROWER, and (iv) is
11 not the result of the failure of BORROWER to perform any of its obligations under this
12 Agreement. Notwithstanding the foregoing, a Force Majeure Delay shall not be deemed to have
13 occurred unless BORROWER has notified COUNTY in writing of such occurrence within
14 fifteen (15) days after such occurrence, and has provided COUNTY with the details of such
15 event and the length of the anticipated delay within an additional fifteen (15) days thereafter.
16 BORROWER shall diligently attempt to remove, resolve, or otherwise eliminate such event,
17 keep COUNTY advised with respect thereto, and shall commence performance of its obligations
18 hereunder immediately upon such removal, resolution or elimination. During the occurrence
19 and continuance of a Force Majeure Delay, BORROWER shall be excused from performance of
20 its obligations under this Agreement to the extent the Force Majeure prevents BORROWER
21 from performing such obligations.

22 10. EXTENSION OF TIME. COUNTY may grant an extension to the
23 Implementation Schedule set forth in **Exhibit A-1** for the purpose of completing BORROWER's
24 activities which cannot be completed as outlined in **Exhibit A-1**. BORROWER shall request
25 said extension in writing, stating the reasons therefore, which extension must be first approved
26 in writing by the COUNTY in its reasonable discretion. The Director of HWS, or designee, may
27 extend all pending deadlines in the Implementation Schedule on two (2) or fewer occasions, so
28



1 long as the aggregate duration of such administrative time extensions is no greater than ninety
2 (90) days. Every term, condition, covenant, and requirement of this Agreement shall continue
3 in full force and effect during the period of any such extension.

4 11. CONDITIONS PRECEDENT TO DISTRIBUTION OF ARPA LOAN FUNDS.

5 COUNTY, through its Department of HWS, shall disburse the SLFRF funds directly to
6 BORROWER, subject to the conditions precedent set forth below. COUNTY shall not disburse
7 any SLFRF funds pursuant to this Agreement until the following conditions precedent have been
8 satisfied:

- 9 a. BORROWER executes this Agreement and delivers to COUNTY for
10 recordation in the Official Records;
- 11 b. BORROWER provides COUNTY with evidence of insurance as required
12 herein;
- 13 c. BORROWER executes the ARPA Deed of Trust, substantially conforming in
14 form and substance to the Deed of Trust, Security Agreement and Fixture
15 Filing (with Assignment of Rents) attached hereto as **Exhibit B**, in recordable
16 form, and delivers such document to the County of Riverside for recordation
17 in the Official Records;
- 18 d. BORROWER executes the ARPA Note, substantially conforming in form and
19 substance to the Promissory Note attached hereto as **Exhibit C** and delivers to
20 COUNTY;
- 21 e. BORROWER executes the Covenant Agreement, substantially conforming in
22 form and substance to the Covenant Agreement attached hereto and
23 incorporated herein as **Exhibit E**, in recordable form, and delivers to the
24 County of Riverside for recordation in the Official Records;
- 25 f. COUNTY executes and records the Requests for Notice of Default,
26 conforming in form and substance to **Exhibit F** attached hereto;
- 27 g. BORROWER provides, at its expense, an American Land Title Association
28

1 (ALTA) lender's policy in favor of COUNTY, insuring the ARPA Deed of
2 Trust as a fifth priority lien against the Property, junior only to the senior loans
3 identified in **Section 4(d)(iii)**;

4 h. BORROWER is not in default under the terms of this Agreement, ARPA
5 Rules, or any other agreement related to the financing of the Project;

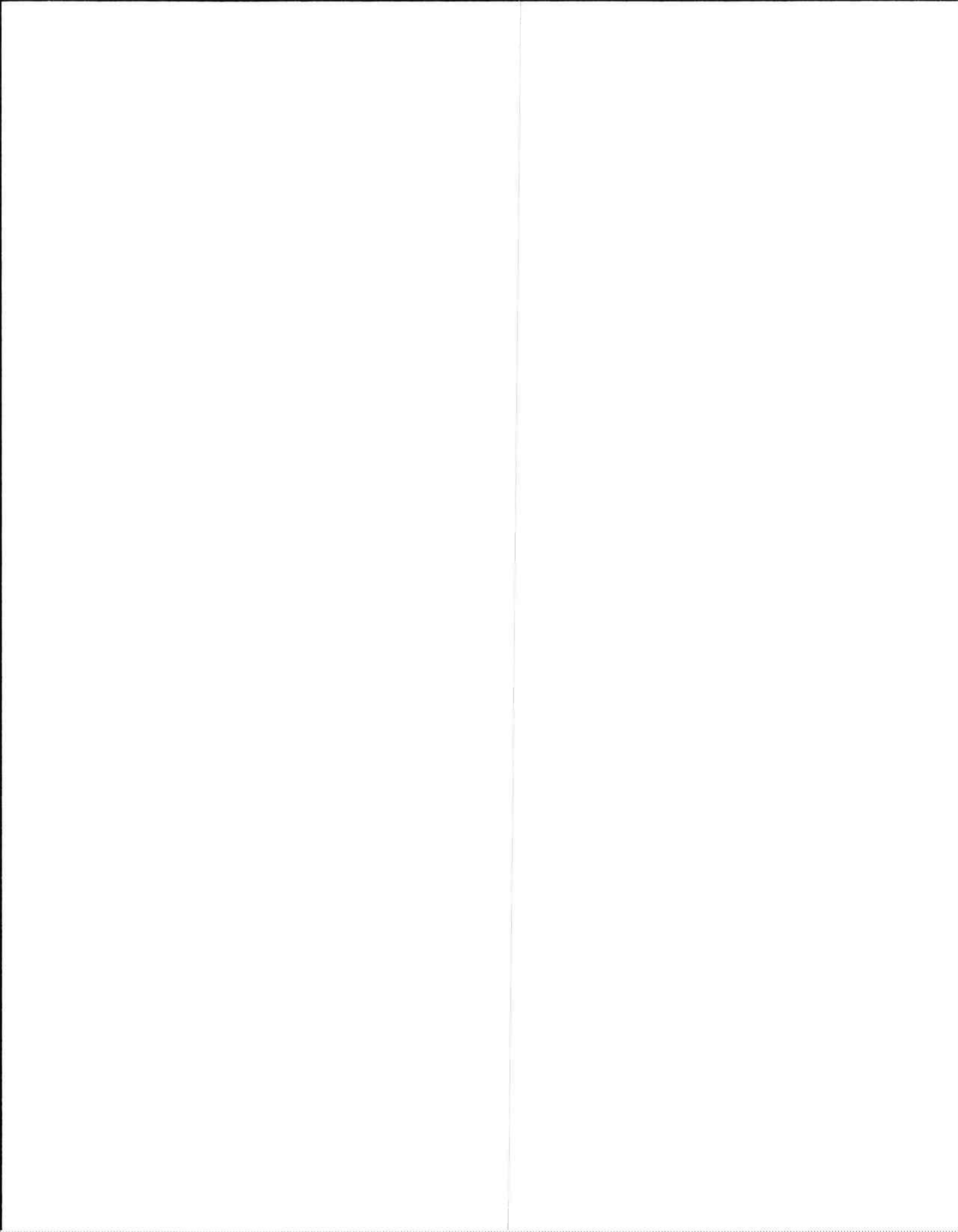
6 i. If Davis Bacon and/or prevailing wages are required to be paid, BORROWER
7 hires a qualified professional firm to review and monitor Davis Bacon and/or
8 prevailing wage compliance for all submissions of contractors certified
9 payrolls to COUNTY. In the event that the Project requires prevailing wages,
10 BORROWER shall comply with, and shall require its contractors and
11 subcontractors performing work on the Project, to pay prevailing wages, use a
12 skilled and trained workforce, and adhere to any applicable labor regulations
13 and all State laws in connection with the construction of the Project, including
14 but not limited to Chapter 1 (commencing with Section 1720) of Part 7 of
15 Division 2 of the Labor Code, and Chapter 2.9 (commencing with Section
16 2600) of Part 1 of Division 2 of the Public Contract Code. BORROWER
17 agrees and acknowledges that it is the responsibility of BORROWER to obtain
18 a legal determination, at BORROWER's sole cost and expense, as to whether
19 prevailing wages must be paid during the construction of the Project. If the
20 Project is subject to prevailing wages, then BORROWER shall be solely
21 responsible to pay its contractors and subcontractors the required prevailing
22 wage rates, submit certified payroll records, and register with the Department
23 of Industrial Relations. BORROWER agrees to indemnify, defend, and hold
24 COUNTY harmless from and against any and all liability arising out of and
25 related to BORROWER's failure to comply with any and all applicable Davis
26 Bacon and/or prevailing wage requirements;

- 1 j. BORROWER agrees to verify that BORROWER, and its principals, or any/all
2 persons, contractors, consultants, businesses, etc. (“Developer Associates”),
3 are conducting business with, are not presently debarred, proposed for
4 debarment, suspended, declared ineligible, or voluntarily excluded from
5 participation or from receiving federal contracts or federally approved
6 subcontracts or from certain types of federal financial and nonfinancial
7 assistance and benefits with the Excluded Parties Listing System (“EPLS”).
8 EPLS records are located at www.sam.gov; and
- 9 k. BORROWER shall search and provide a single comprehensive list of
10 Developer Associates (individuals and firms) and print and maintain evidence
11 of the search results of each Developer Associate as verification of compliance
12 with this requirement, as provided in **Exhibit G** “Contractor Debarment
13 Certification Form”, which is attached hereto and incorporated herein by this
14 reference.

15 BORROWER agrees to submit the following documentation to COUNTY, 180 days from
16 execution of this Agreement:

- 17 1) Service Plan;
18 2) Management Plan; and
19 3) Funding commitments and sources and uses for the proposed modifications to
20 the existing buildings for the proposed intended use.

21 12. REALLOCATION OF FUNDS. If BORROWER fails to utilize the funds by July
22 1, 2023, then BORROWER shall be instructed to return the ARPA Loan funds back to the
23 COUNTY after at least ten (10) days’ prior written notice to BORROWER. Upon such
24 reallocation and repayment of funds, this Agreement shall be terminated and be of no further
25 force and effect and BORROWER shall be released and discharged from any obligations
26 hereunder, except as to those obligations which by their terms survive termination of this
27 Agreement.
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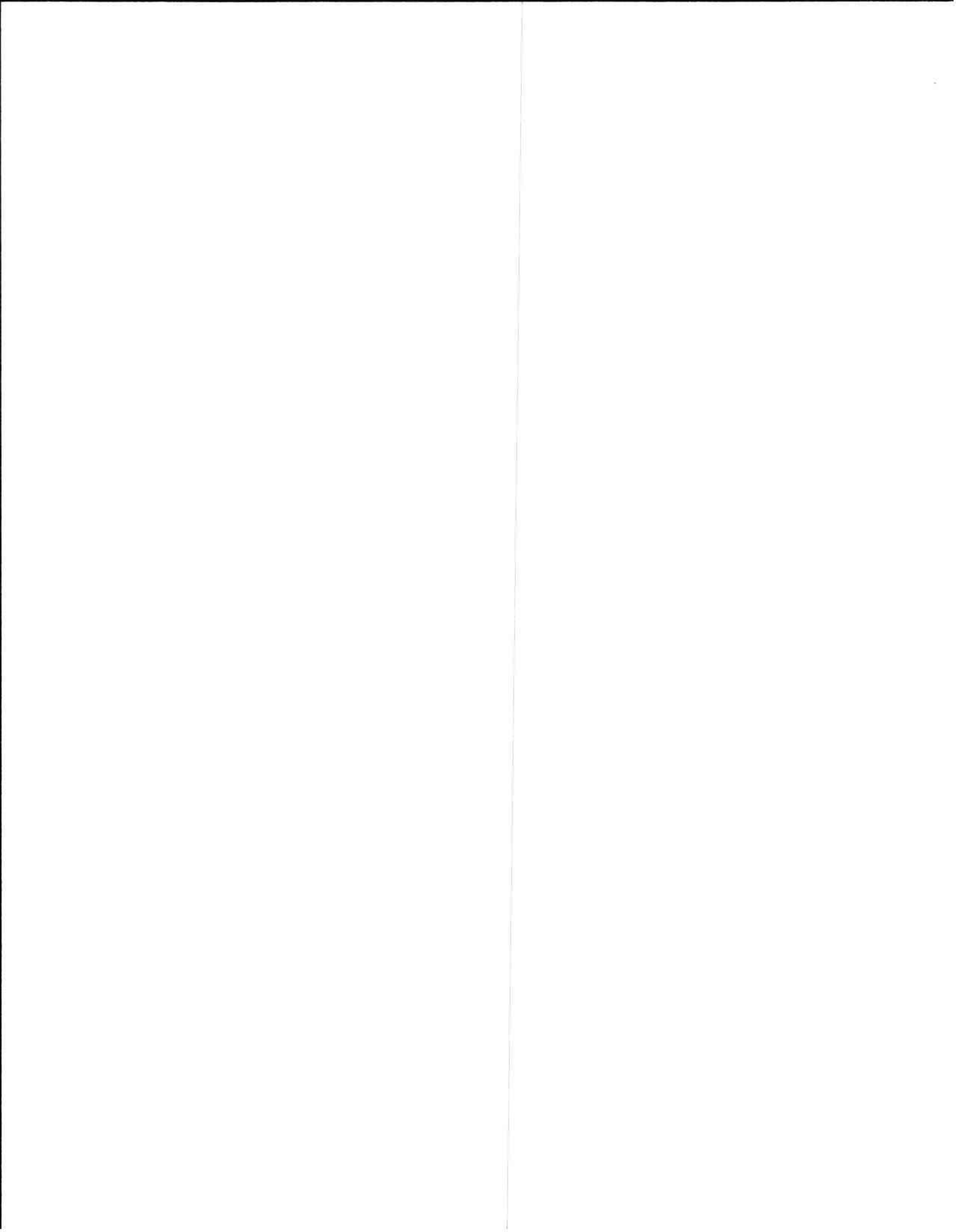


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4 13. DISTRIBUTION OF FUNDS. COUNTY'S Board of Supervisors shall determine
5 the final disbursement and distribution of all funds received by COUNTY under ARPA.
6 Disbursement of SLFRF funds shall occur upon the satisfaction of conditions set forth in **Section**
7 **11**. COUNTY shall pay BORROWER in the form of funding draw requests with supporting
8 documents which specifically state how such funds will be expended. COUNTY shall promptly
9 review the funding draw request and supporting documentation, but in no event later than thirty
10 (30) days. COUNTY may require additional information from BORROWER as may be
11 necessary and appropriate for COUNTY to make its determination as to allowable costs.
12 COUNTY shall deposit the sum specified in the funding draw requests into BORROWER'S
13 bank account upon receipt of wire instructions.

14 14. TERMS OF AFFORDABILITY. The COUNTY ARPA-Assisted Units shall
15 remain occupied and available to the Qualified Population, pursuant to **Section 18** below,
16 **Exhibit A**, and the Covenant Agreement attached hereto as **Exhibit E**, until the later of (i) fifty-
17 five (55) years from the recordation of the Covenant Agreement in the Official Records, or (ii)
18 July 1, 2077 ("Affordability Period").

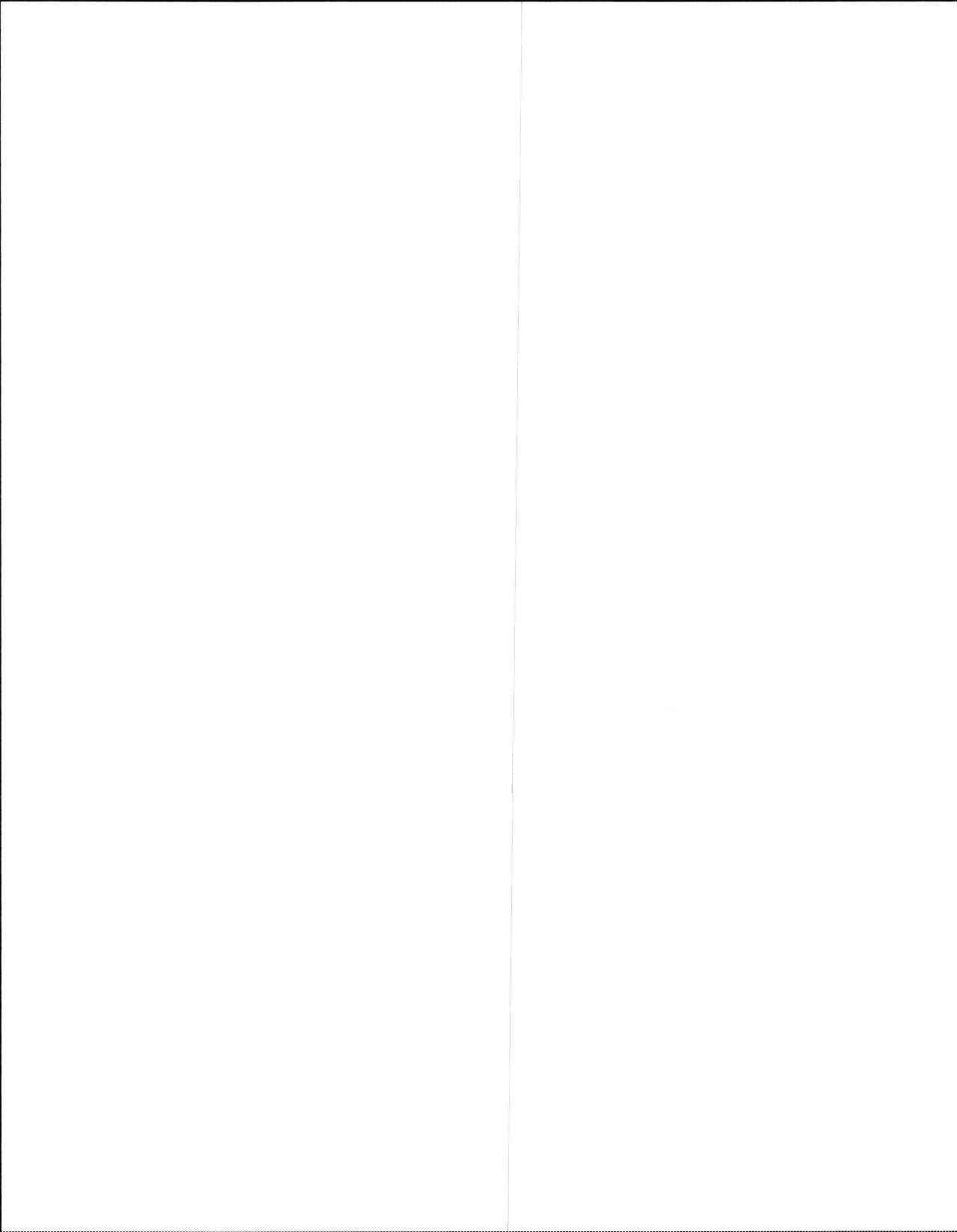
19 15. INSURANCE. Without limiting or diminishing BORROWER'S obligation to
20 indemnify or hold COUNTY harmless, BORROWER or its general contractor for the Project
21 ("General Contractor"), shall procure and maintain or cause to be maintained, at its sole cost and
22 expense, the following insurance coverages during the Term of this Agreement.

- 23 a. Builder's All Risk (Course of Construction) Insurance. BORROWER shall
24 cause General Contractor to provide a policy of Builder's All Risk (Course of
25 Construction) insurance coverage including (if the work is located in an
26 earthquake or flood zone or if required on financed or bond financing
27 arrangements) coverage for earthquake and flood, covering the COUNTY,
28 BORROWER and every subcontractor, of every tier, for the entire Project,



1 including property to be used in the construction of the work while such
2 property is at off-site storage locations or while in transit or temporary off-site
3 storage. Such policy shall include, but not be limited to, coverage for fire,
4 collapse, faulty workmanship, debris removal, expediting expense, fire
5 department service charges, valuable papers and records, trees, grass,
6 shrubbery and plants. If scaffolding, false work and temporary buildings are
7 insured separately by the BORROWER or others, evidence of such separate
8 coverage shall be provided to County prior to the start of the work. Such policy
9 shall be written on an all risk basis and a completed value form. Such policy
10 shall cover the full insurable value. Such policy shall also provide coverage
11 for temporary structures (on-site offices, etc.), fixtures, machinery and
12 equipment being installed as part of the work. BORROWER shall be
13 responsible for any and all deductibles under such policy. Upon request by
14 COUNTY, BORROWER shall declare all terms, conditions, coverages and
15 limits of such policy. Such policy shall name the COUNTY as a loss payee as
16 their interest may appear. If the County so provides, in its sole discretion, the
17 All Risk (Course of Construction) insurance for the Project, then
18 BORROWER shall assume the cost of any and all applicable policy
19 deductibles (currently, \$50,000 per occurrence) and shall insure its own
20 machinery, equipment, tools, etc. from any loss of any nature whatsoever.

- 21 b. Workers' Compensation Insurance. If BORROWER or General Contractor
22 have employees as defined by the State of California, the CONTRACTOR
23 shall maintain statutory Workers' Compensation Insurance (Coverage A) as
24 prescribed by the laws of the State of California. Policy shall include
25 Employers' Liability (Coverage B) including Occupational Disease with limits
26 not less than \$1,000,000 per person per accident. The policy shall be endorsed
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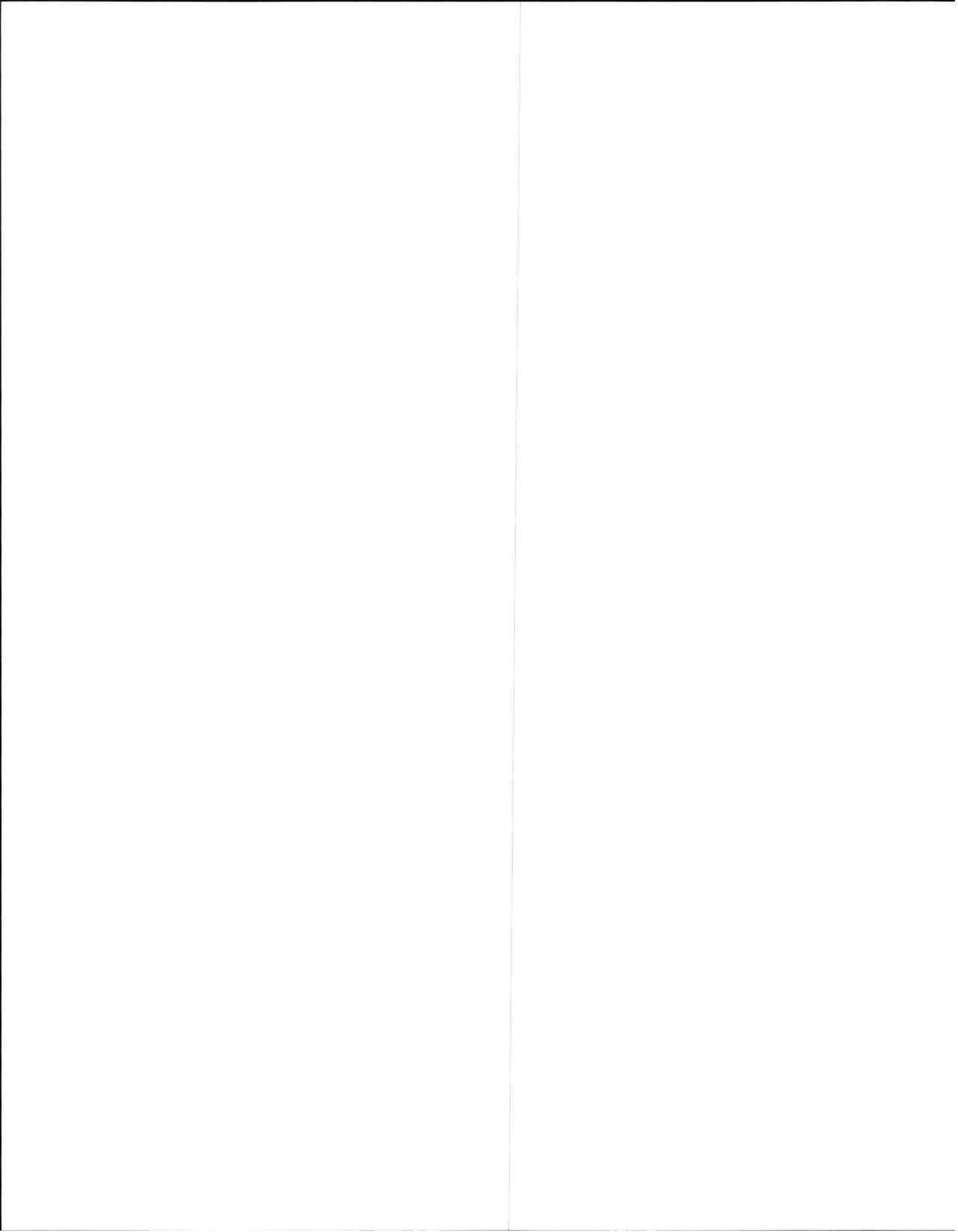
1 to waive subrogation in favor of The County of Riverside. Policy shall name
2 the COUNTY as Additional Insureds.

3 c. Commercial General Liability Insurance. Borrower shall maintain
4 Commercial General Liability insurance coverage, including but not limited
5 to, premises liability, unmodified contractual liability, products and completed
6 operations liability, personal and advertising injury, and cross liability
7 coverage, covering claims which may arise from or out of CONTRACTOR'S
8 performance of its obligations hereunder. Policy shall name the COUNTY as
9 Additional Insured. Policy's limit of liability shall not be less than \$2,000,000
10 per occurrence combined single limit. If such insurance contains a general
11 aggregate limit, it shall apply separately to this agreement or be no less than
12 two (2) times the occurrence limit. Policy shall name the COUNTY as
13 Additional Insureds.

14 d. Vehicle Liability Insurance. If vehicles or mobile equipment are used in the
15 performance of the obligations under this Agreement, then CONTRACTOR
16 shall maintain liability insurance for all owned, non-owned or hired vehicles
17 so used in an amount not less than \$1,000,000 per occurrence combined single
18 limit. If such insurance contains a general aggregate limit, it shall apply
19 separately to this agreement or be no less than two (2) times the occurrence
20 limit. Policy shall name the COUNTY as Additional Insureds.

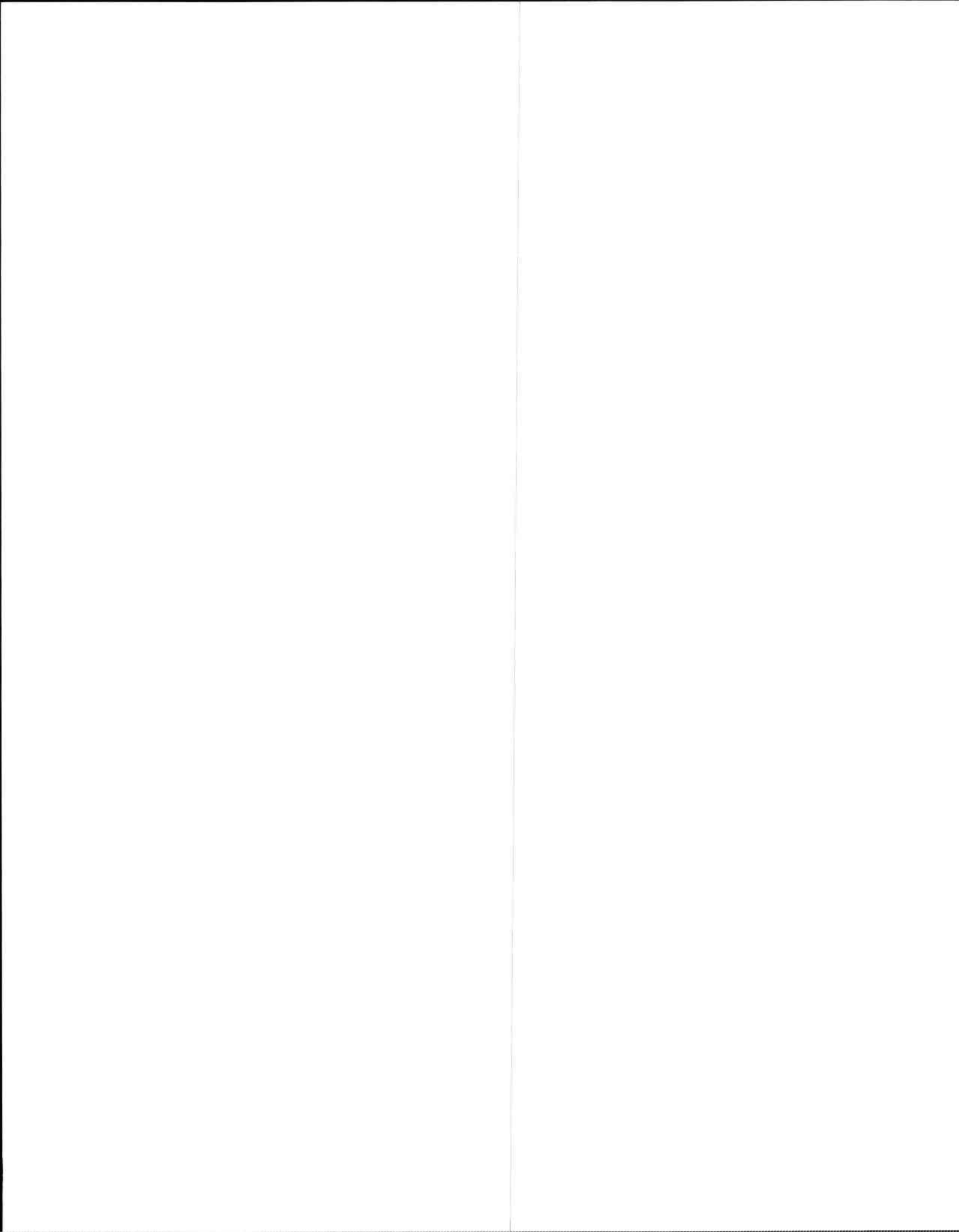
21 e. General Insurance Provisions – All Lines.

22 (i) Any insurance carrier providing insurance coverage hereunder shall be
23 admitted to the State of California and have an A M BEST rating of not
24 less than A: VIII (A:8) unless such requirements are waived, in writing,
25 by COUNTY Risk Manager. If COUNTY's Risk Manager waives a
26 requirement for a particular insurer such waiver is only valid for that
27 specific insurer and only for one policy term.
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1 (ii) BORROWER, or Borrower on behalf of General Contractor, must
2 declare its insurance self-insured retentions. If such self-insured
3 retentions exceed \$500,000 per occurrence such retentions shall have
4 the prior written consent of COUNTY Risk Manager before the
5 commencement of operations under this Agreement. Upon notification
6 of self-insured retention unacceptable to COUNTY, and at the election
7 of COUNTY's Risk Manager, BORROWER's or General
8 Contractor's, as applicable, carriers shall either: (a) reduce or eliminate
9 such self-insured retention as respects this Agreement with COUNTY,
10 or (b) procure a bond which guarantees payment of losses and related
11 investigations, claims administration, and defense costs and expenses.

12 (iii) BORROWER shall cause BORROWER's and General Contractor's
13 insurance carrier(s) to furnish the County of Riverside with copies of
14 the Certificate(s) of Insurance and Endorsements effecting coverage as
15 required herein, and 2) if requested to do so orally or in writing by
16 COUNTY Risk Manager, provide copies of policies including all
17 Endorsements and all attachments thereto, showing such insurance is
18 in full force and effect. Further, said Certificate(s) and policies of
19 insurance shall contain the covenant of the insurance carrier(s) that
20 thirty (30) days written notice shall be given to the County of Riverside
21 prior to any material modification, cancellation, expiration or reduction
22 in coverage of such insurance. In the event of a material modification,
23 cancellation, expiration, or reduction in coverage, this Agreement shall
24 terminate forthwith, unless the County of Riverside receives, prior to
25 such effective date, another Certificate of Insurance and copies of
26 endorsements, including all endorsements and attachments thereto
27 evidencing coverages set forth herein and the insurance required herein
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1 is in full force and effect. BORROWER shall not commence
2 operations until COUNTY has been furnished Certificate(s) of
3 Insurance and copies of endorsements and if requested, copies of
4 policies of insurance including all endorsements and any and all other
5 attachments as required in this Section. An individual authorized by
6 the insurance carrier on its behalf shall sign the original endorsements
7 for each policy and the Certificate of Insurance.

8 (iv) It is understood and agreed to by the parties hereto that BORROWER's
9 insurance shall be construed as primary insurance, and COUNTY's
10 insurance and/or deductibles and/or self-insured retentions or self-
11 insured programs shall not be construed as contributory.

12 (v) If, during the term of this Agreement or any extension thereof, there is
13 a material change in the scope of services; or, there is a material change
14 in the equipment to be used in the performance of the scope of work
15 which will add additional exposures (such as the use of aircraft,
16 watercraft, cranes, etc.); or, the term of this Agreement, including any
17 extensions thereof, exceeds five (5) years, COUNTY reserves the right
18 to adjust the types of insurance required under this Agreement and the
19 monetary limits of liability for the insurance coverages currently
20 required herein, if; in COUNTY Risk Manager's reasonable judgment,
21 the amount or type of insurance carried by BORROWER has become
22 inadequate.

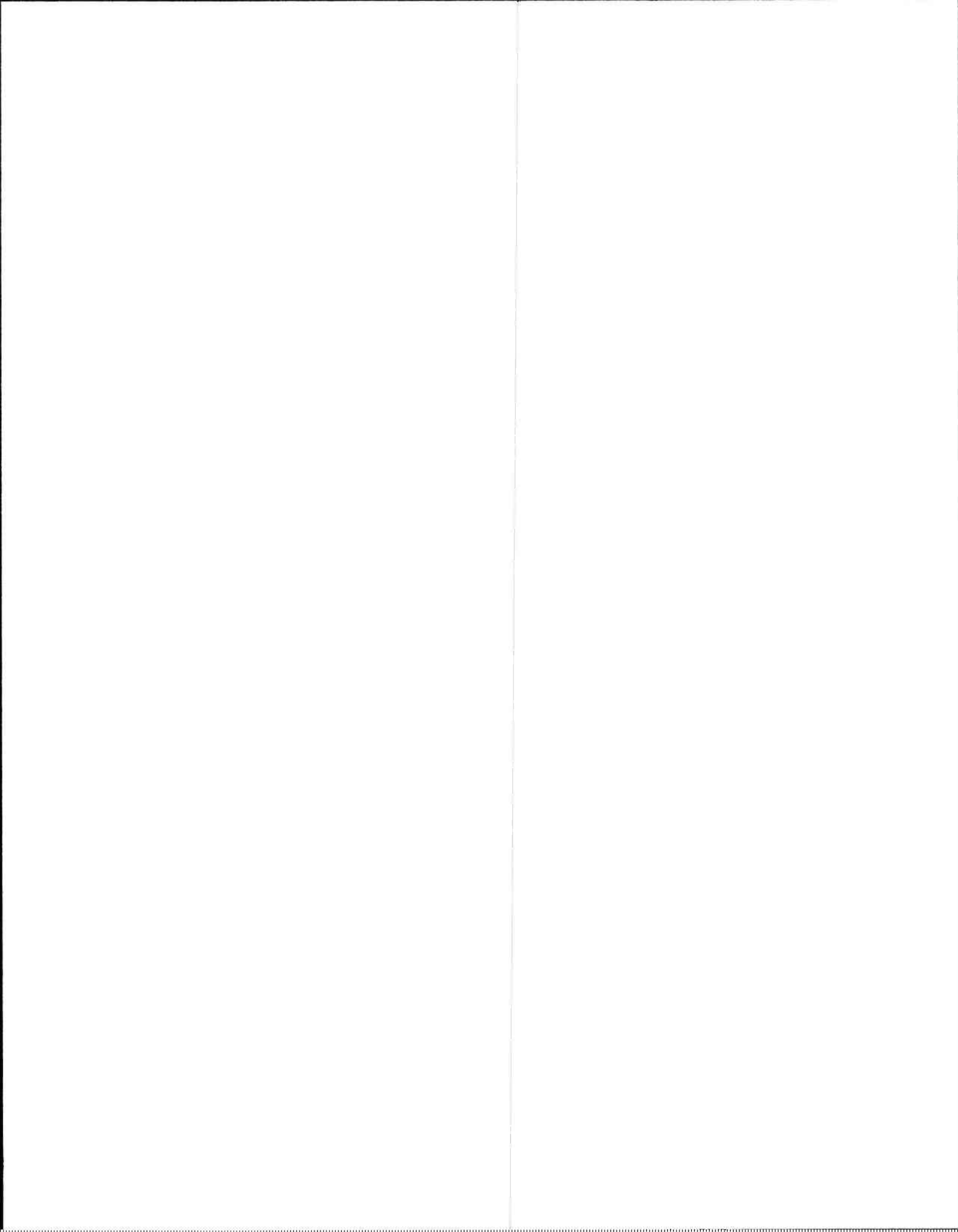
23 (vi) BORROWER shall pass down the insurance obligations contained
24 herein to all tiers of subcontractors working under this Agreement.

25 (vii) The insurance requirements contained in this Agreement may be
26 met with a program(s) of self-insurance acceptable to COUNTY.

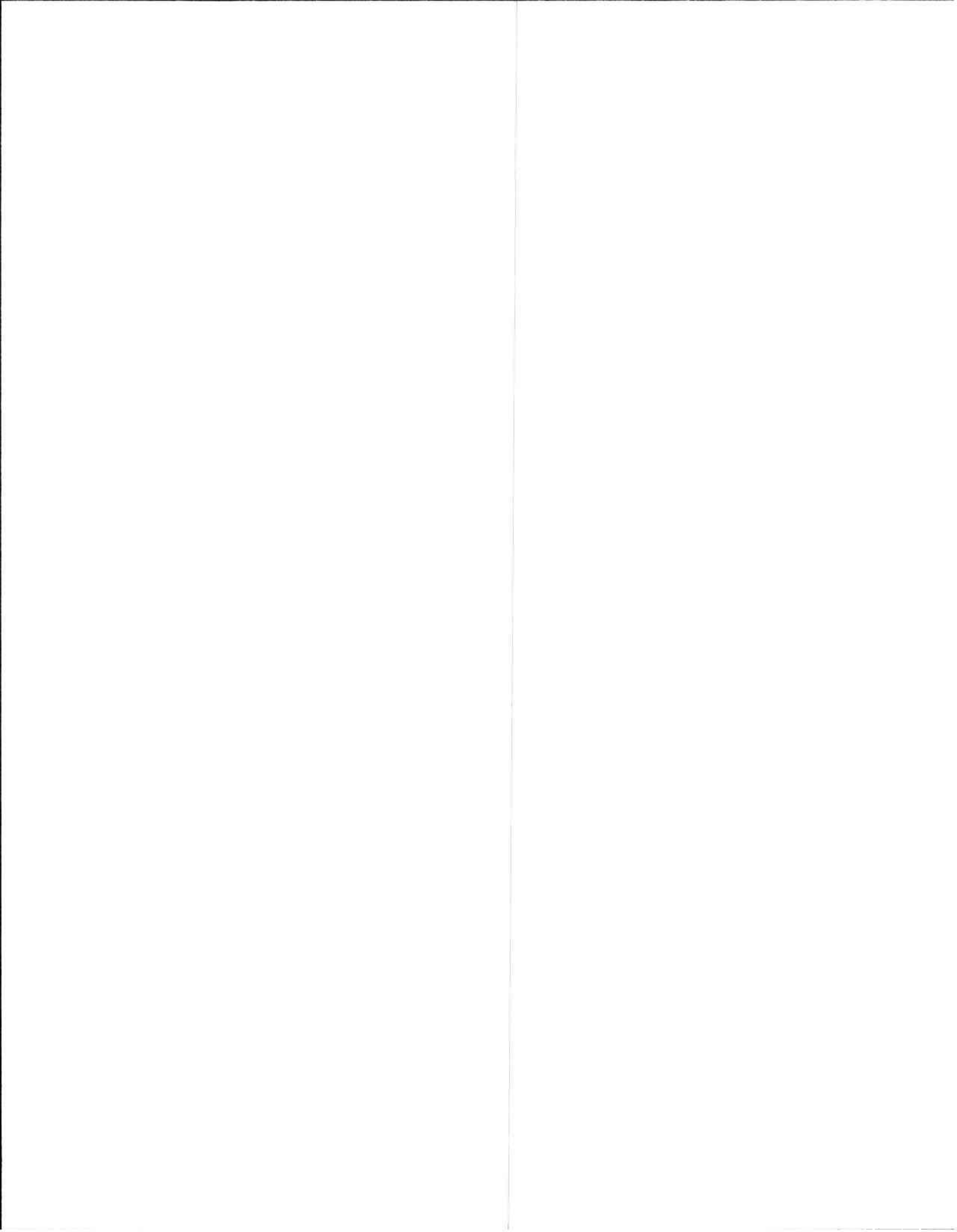
1 (viii) BORROWER agrees to notify COUNTY of any claim by a third
2 party or any incident or event that may give rise to a claim arising from
3 the performance of this Agreement.

4 16. FINANCIAL AND PROJECT RECORDS. BORROWER shall maintain financial,
5 programmatic, statistical, and other supporting records of its operations and financial activities
6 sufficient to establish compliance with subsection 601(d) of the Social Security Act, as amended,
7 (42 U.S.C. 801(d)) and in accordance with the requirements of the ARPA Rules . The records
8 shall be open to inspection and audit by authorized representatives of COUNTY, the California
9 Department of Finance, and the U.S. Treasury Office of Inspector General during regular working
10 hours. COUNTY, state, and federal representatives have the right of access, with at least forty-
11 eight (48) hours prior notice, to any pertinent books, documents, papers, or other records of
12 BORROWER, in order to make audits, examinations, excerpts, and transcripts. Said records shall
13 be retained for such time as may be required by the ARPA, but in no event no less than five (5)
14 years after the Project completion date as evidenced by recordation of the Notice of Completion,
15 or after final payment is made, whichever is later, to support reported expenditures and to
16 participate in COUNTY, state, and federal audits; except that records of individual income
17 verifications, project rents, and project inspections must be retained for the most recent five (5)
18 year period, until five (5) years after the Affordability Period terminates. If any litigation, claim,
19 negotiation, audit, or other action has been started before the expiration of the regular period
20 specified, the records must be retained until completion of the action and resolution of all issues
21 which arise from it, or until the end of the regular period, whichever is later.

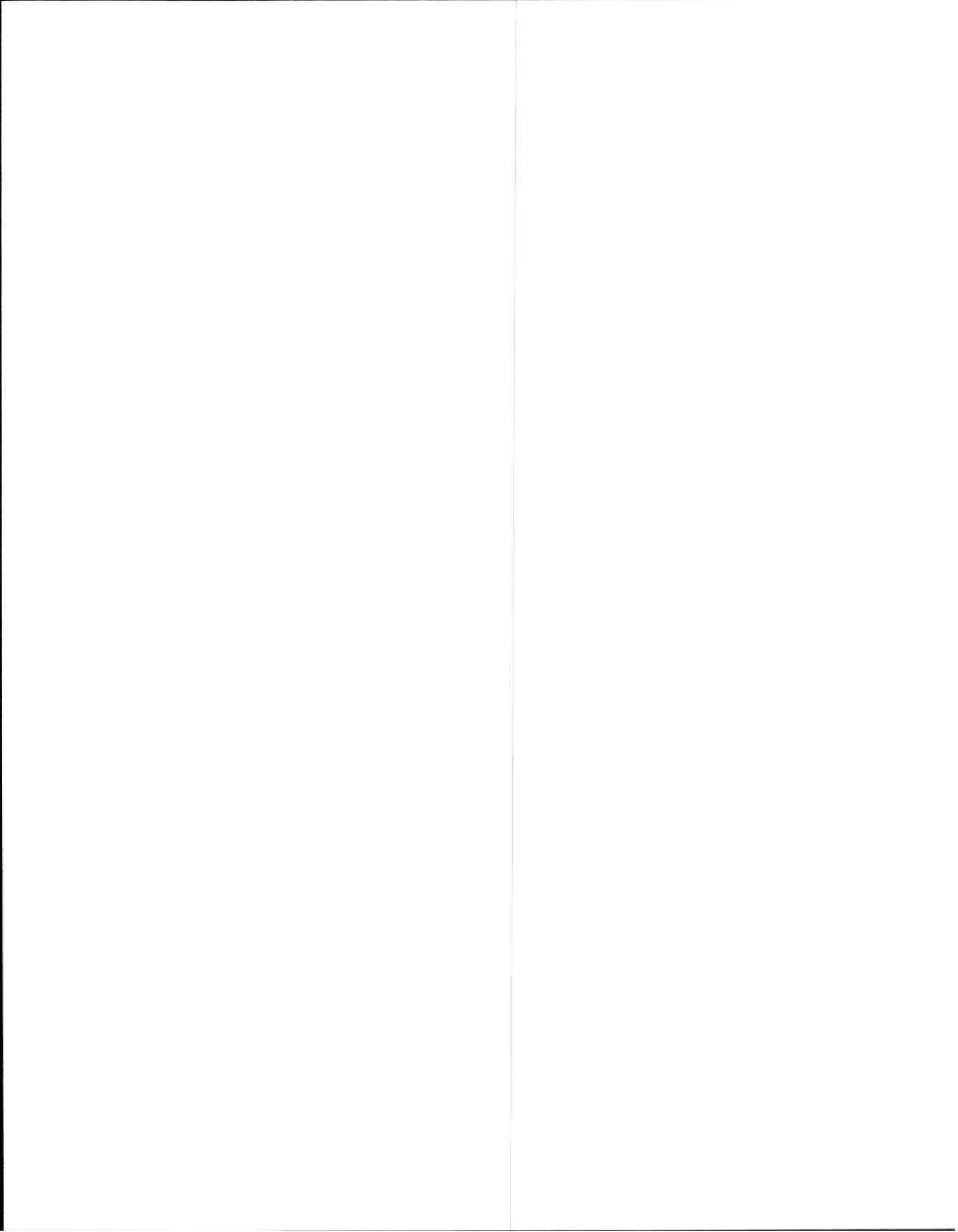
22 17. COMPLIANCE WITH LAWS AND REGULATIONS. By executing this
23 Agreement, BORROWER hereby certifies that it will adhere to and comply with all federal, state
24 and local laws, regulations and ordinances, including all applicable ARPA Rules. In particular,
25 BORROWER shall comply with the following as they may be applicable to BORROWER in
26 connection with the ARPA Loan:
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- 1 a. Compliance with Executive Order 11246 of September 24, 1965, entitled
2 "Equal Employment Opportunity", as amended by Executive Order 11375 of
3 October 13, 1967, and as supplemented in Department of Labor Regulations
4 (41 CFR Part 60). The BORROWER will not discriminate against any
5 employee or applicant for employment because of race, color, religion, sex, or
6 national origin. BORROWER shall ensure that all qualified applicants will
7 receive consideration for employment without regard to race, color, religion,
8 sex or national origin. The BORROWER will take affirmative action to ensure
9 that applicants are employed and the employees are treated during employment,
10 without regard to their race color, religion, sex, or national origin. Such actions
11 shall include, but are not limited to, the following: employment, up-grading,
12 demotion, or transfer; recruitment or recruitment advertising; rates of pay or
13 other forms of compensation; and selection for training, including
14 apprenticeship. The BORROWER agrees to post in a conspicuous place,
15 available to employees and applicants for employment, notices to be provided
16 by the County setting forth the provisions of this non-discrimination clause;
- 17 b. Executive Order 11063, as amended by Executive Order 12259, and
18 implementing regulations at 24 CFR Part 107;
- 19 c. Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112), as amended,
20 and implementing regulations;
- 21 d. The Age Discrimination Act of 1975 (Pub. L. 94-135), as amended, and
22 implementing regulations;
- 23 e. The regulations, policies, guidelines and requirements of the Uniform
24 Administrative Requirements, Cost Principles, and Audit Requirements for
25 Federal Awards (2 CFR Part 200) as they relate to the acceptance and use of
26 federal funds under the federally-assigned program;
- 27
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- 1 f. Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352) and implementing
2 regulations issued at 24 CFR Part 1;
- 3 g. Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284) as amended;
- 4 h. *Rights to Data and Copyrights*: Contractors and consultants agree to comply
5 with all applicable provisions pertaining to the use of data and copyrights
6 pursuant to 48 CFR Part 27.404-3, Federal Acquisition Regulations (FAR).
- 7 i. *Air Pollution Prevention and Control* (formally known as the *Clean Air Act*)
8 (*42 U.S.C.A. 7401 et seq.*) and the *Federal Water Pollution Control Act* (*33*
9 *U.S.C.A. Section 1251 et seq.*), as amended: Contracts and subgrants of
10 amounts in excess of \$100,000 shall contain a provision that requires the
11 recipient to agree to comply with all applicable standards, orders or regulations
12 issued pursuant to the *Clean Air Act* (*42 U.S.C.A. 7401 et seq.*) and the *Federal*
13 *Water Pollution Control Act* as amended (*33 U.S.C.A. Section 1251 et seq.*).
14 Violations shall be reported to the Federal awarding agency and the Regional
15 Office of the Environmental Protection Agency (EPA).
- 16 j. *Anti-Lobbying Certification* (*31 U.S.C.A. 1352*): The language of the
17 certification set forth below shall be required in all contracts or subcontracts
18 entered into in connection with this grant activity and all BORROWERS shall
19 certify and disclose accordingly. This certification is a material representation
20 of fact upon which reliance was placed when this transaction was made or
21 entered into. Submission of this certification is a prerequisite for making or
22 entering into this transaction imposed by. Section 1352, Title 31, U.S. code.
23 Any person who fails to file the required certification shall be subject to a civil
24 penalty of not less than \$10,000 and no more than \$100,000 for such failure.
25 “The undersigned certifies, to the best of his or her knowledge or belief, that:
26 No Federal appropriated funds have been paid or will be paid, by or on behalf
27 of it, to any person for influencing or attempting to influence an officer or
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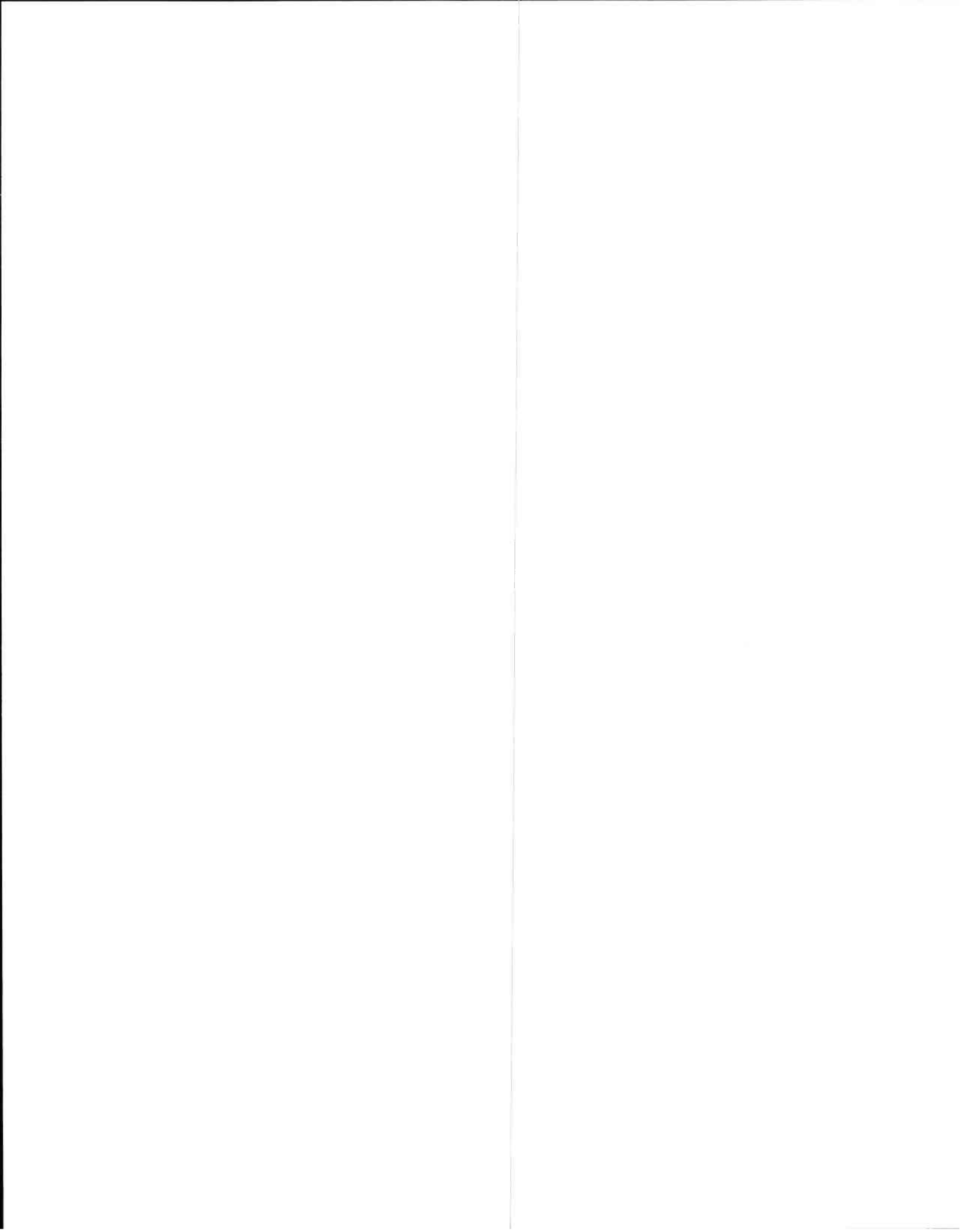


1 employee of any agency, a Member of Congress, an officer or employee of
2 Congress, or an employee of a Member of Congress in connection with the
3 awarding of any Federal contract, the making of any Federal grant, the making
4 of any Federal loan, the entering into of any cooperative agreement, and the
5 extension, continuation, renewal, amendment, or modification of any Federal
6 contract, grant, loan, or cooperative agreement;

7 If any funds other than Federal appropriated funds have been paid or will be
8 paid to any person for influencing or attempting to influence an officer or
9 employee of any agency, a Member of Congress, an officer or employee of
10 Congress, or an employee of a Member of Congress in connection with this
11 Federal contract, grant loan or cooperative agreement, he/she will complete and
12 submit Standard Form – LLL, “Disclosure Form to Report Lobbying,” in
13 accordance with its instructions.”

14 k. *Debarment and Suspension (Executive Orders (E.O.) 12549 and 12689)*: No
15 contract award shall be made to parties listed on the governmentwide exclusions
16 in the System for Award Management (SAM), in accordance with OMB
17 guidelines at 2 CFR 180 that implement Executive Orders (E.O.s) 12549 and
18 12689, “Debarment and Suspension.” SAM Exclusions contains the names of
19 parties debarred, suspended, or otherwise excluded by agencies, as well as
20 parties declared ineligible under statutory or regulatory authority other than
21 E.O. 12549. Contractors with awards that exceed the small purchase threshold
22 shall provide the required certification regarding its exclusion status and that of
23 its principal employees.

24 l. *Drug-Free Workplace Requirements*: The Anti-Drug Abuse Act of 1988 (41
25 U.S.C.A. Section 8101-8103) requires grantees (including individuals) of
26 federal agencies, as a prior condition of being awarded a grant, to certify that
27 they will provide drug-free workplaces. Each potential recipient must certify
28



1 that it will comply with drug-free workplace requirements in accordance with
2 the Act and with HUD's rules at 2 CFR Part 2424.

3 m. *Access to Records and Records Retention:* The BORROWER or Contractor,
4 and any sub-consultants or sub-contractors, shall allow all duly authorized
5 Federal, State, and/or County officials or authorized representatives access to
6 the work area, as well as all books, documents, materials, papers, and records
7 of the BORROWER or Contractor, and any sub-consultants or sub-contractors,
8 that are directly pertinent to a specific program for the purpose of making
9 audits, examinations, excerpts, and transcriptions. The BORROWER or
10 Contractor, and any sub-consultants or sub-contractors, further agree to
11 maintain and keep such books, documents, materials, papers, and records, on a
12 current basis, recording all transactions pertaining to this Agreement in a form
13 in accordance with generally acceptable accounting principles. All such books
14 and records shall be retained for such periods of time as required by law,
15 provided, however, notwithstanding any shorter periods of retention, all books,
16 records, and supporting detail shall be retained for a period of at least five (5)
17 years after the expiration of the term of this Agreement, or final payment is
18 made, whichever is later.

19 n. *Federal Employee Benefit Clause:* No member of or delegate to the Congress
20 of the United States, and no Resident Commissioner shall be admitted to any
21 share or part of this Agreement or to any benefit to arise from the same.

22 o. *Energy Efficiency:* Mandatory standards and policies relating to energy
23 efficiency which are contained in the State energy conservation plan issued in
24 compliance with the Energy Policy and Conservation Act (Pub. L. 94 - 163,
25 Dec. 22, 1975; 42 U.S.C.A. Section 6201, et. seq., 89 Stat.871).

26 p. *Procurement of Recovered Materials (2 CFR 200.322.):* A non-Federal entity
27 that is a state agency or agency of a political subdivision of a state and its
28

1 contractors must comply with 42 U.S.C. Section 6002 of the Solid Waste
2 Disposal Act, as amended by the Resource Conservation and Recovery Act.
3 The requirements of Section 6002 include procuring only items designated in
4 guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247
5 that contain the highest percentage of recovered materials practicable,
6 consistent with maintaining a satisfactory level of competition, where the
7 purchase price of the item exceeds \$10,000 or the value of the quantity acquired
8 by the preceding fiscal year exceeded \$10,000; procuring solid waste
9 management services in a manner that maximizes energy and resource
10 recovery; and establishing an affirmative procurement program for
11 procurement of recovered materials identified in the EPA guidelines. The
12 requirements of 2 CFR 200.322, as amended effective November 12, 2020, are
13 hereby included in this Agreement as appropriate and to the extent consistent
14 with law.

- 15 q. *Contract Work Hours and Safety Standards Act (CWHSA) (30 U.S.C. 3701-*
16 *3708)*: BORROWER shall comply with all applicable provisions of the
17 CWHSA.
- 18 r. Other Federal requirements and nondiscrimination. As set forth in 24 CFR part
19 5, sub part A, BORROWER is required to include the following requirements:
20 nondiscrimination and equal opportunity under Section 282 of the Act;
21 disclosure; debarred, suspended, or ineligible contractors; and drug-free
22 workplace.
- 23 s. Displacement, relocation, and acquisition. The relocation requirements of
24 Title II and the acquisition requirements of Title III of the Uniform Relocation
25 Assistance and Real Property Acquisition Policies Act of 1970, and the
26 implementing regulations at 24 CFR Part 42. BORROWER must ensure that
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1 it has taken all reasonable steps to minimize the displacement of persons as a
2 result of this Project.

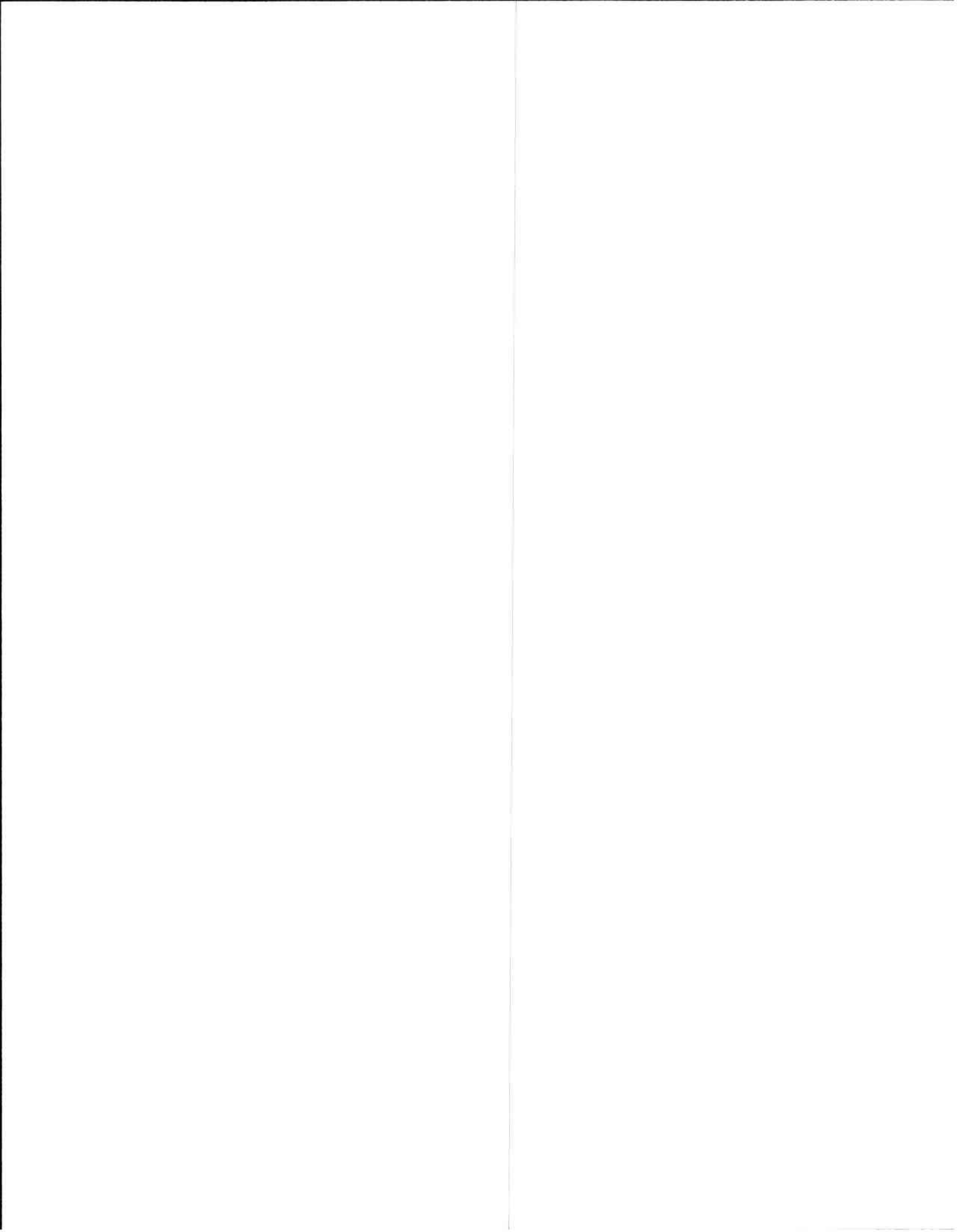
3 t. Lead-based paint. The ARPA-Assisted Units are subject to the lead-based
4 paint requirements of 24 CFR Part 35 issued pursuant to the Lead-Based Paint
5 Poisoning Prevention Act (42 U.S.C. 4821, et seq.). The lead-based paint
6 provisions of 24 CFR 982.401 (j), except 24 CFR 982.401 (j)(1)(i), also apply,
7 irrespective of the applicable property standard under §92.251.

8 u. Labor. BORROWER shall comply with any applicable labor regulations and
9 all other State and Federal laws in connection with the construction of the
10 improvements which comprise the Project, including if applicable,
11 requirements relating to Davis Bacon. BORROWER agrees and acknowledges
12 that it is the responsibility of BORROWER to obtain a legal determination, at
13 BORROWER's sole cost and expenses as to whether Davis Bacon wages must
14 be paid for during the construction of the Project. BORROWER agrees to
15 indemnify, defend, and hold COUNTY harmless from and against any and all
16 liability arising out of a related to BORROWER's failure to comply with any
17 and applicable State and Federal prevailing wage requirements.

18 v. Model Energy Code published by the Council of American Building Officials.

19 w. Consultant Activities. No person providing consultant services in an employer-
20 employee type relationship shall receive more than a reasonable rate of
21 compensation for personal services paid with ARPA funds.

22 x. Uniform Administrative Requirements of 2 CFR Part 200 as now in effect and
23 as may be amended from time to time. Federal awards expended as a recipient
24 or a subrecipient, as defined therein, would be subject to single audit. The
25 payments received for goods or services provided as a vendor would not be
26 considered Federal awards.



- 1 y. BORROWER shall include written agreements that include all provisions of
2 **Section 17** if BORROWER provides ARPA funds to for-profit owners or
3 developers, non-profit owners or developers, sub-recipients, homeowners,
4 homebuyers, tenants receiving tenant-based rental assistance, or contractors.
5 z. BORROWER shall comply with all applicable local, state and federal laws in
6 addition to the above-mentioned laws.

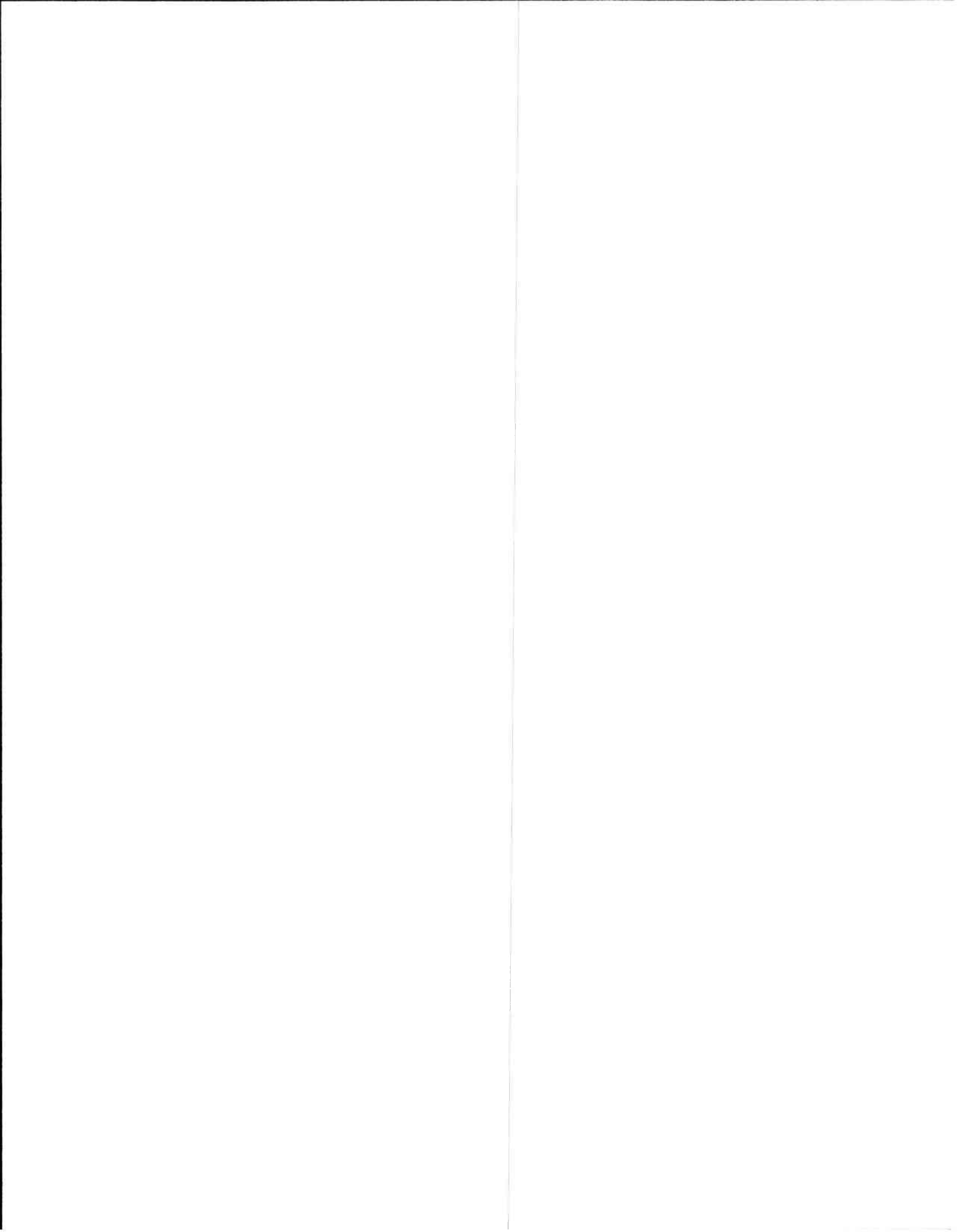
7 18. PROJECT TARGETING REQUIREMENTS. BORROWER shall make the
8 Project available to the Qualified Population and shall ensure that the Project remains in
9 compliance with all ARPA Rules. If the Project is not used to provide shelter and services to the
10 Qualified Population, then COUNTY and BORROWER mutually agree that this Agreement will
11 self-terminate and any ARPA Loan funds drawn shall be returned within thirty (30) calendar days.
12 Upon such termination, this Agreement shall become null and void. COUNTY and BORROWER
13 shall be released and discharged respectively from their obligations under this Agreement. All
14 cost incurred by each party on the Project will be assumed respectively.

15 19. ENVIRONMENTAL CLEARANCES. BORROWER shall be responsible for
16 obtaining any and all approvals subsequent approvals permits, environmental clearances in
17 connection with the Project funded with SLFRF, in compliance with the California Environmental
18 Quality Act, and including but not limited to, any and all applicable federal and state
19 environmental laws and regulations.

20 20. RESERVED.

21 21. FEDERAL REQUIREMENTS. BORROWER shall comply with the provisions of
22 the ARPA Act and any amendments thereto, the Final Rule, and all applicable federal regulations
23 and guidelines now or hereafter enacted pursuant to the Act in addition to the federal provisions
24 set forth above in **Section 17**.

25 22. SALE, ASSIGNMENT OR OTHER TRANSFER OF THE PROJECT.
26 BORROWER hereby covenants and agrees not to sell, assign, transfer or otherwise dispose of
27 the Project or any portion thereof, without obtaining the prior written consent of the COUNTY,
28

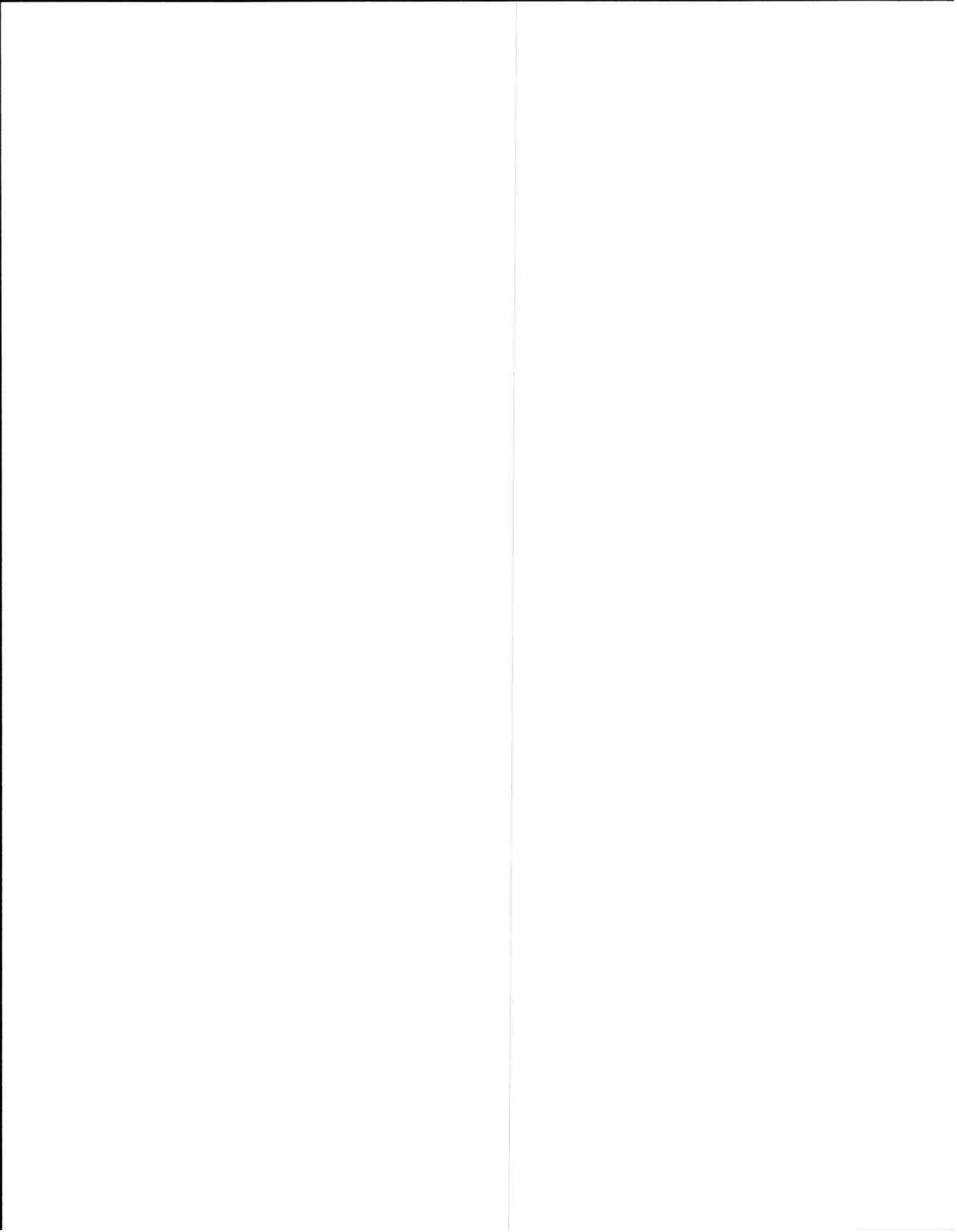


1 which consent shall be conditioned upon receipt by the COUNTY of reasonable evidence
2 satisfactory to the COUNTY in its sole discretion, that transferee has assumed in writing and in
3 full, and is reasonably capable of performing and complying with the BORROWER's duties and
4 obligations under this Agreement, provided, however Borrower shall not be released of all
5 obligations hereunder which accrue from and after the date of such sale.

6 23. INDEPENDENT CONTRACTOR. BORROWER and its agents, servants and
7 employees shall act at all times in an independent capacity during the term of this Agreement,
8 and shall not act as, shall not be, nor shall they in any manner be construed to be agents, officers,
9 or employees of COUNTY.

10 24. NONDISCRIMINATION. BORROWER shall not discriminate on the basis of
11 race, gender, religion, national origin, ethnicity, sexual orientation, age or disability in the
12 solicitation, selection, hiring or treatment of any contractors or consultants, to participate in
13 subcontracting/subconsulting opportunities. BORROWER understands and agrees that violation
14 of this clause shall be considered a material breach of this Lease and may result in termination,
15 debarment or other sanctions. This language shall be incorporated into all contracts between
16 BORROWER and any contractor, consultant, subcontractor, subconsultants, vendors and
17 suppliers. BORROWER shall comply with the provisions of the California Fair Employment and
18 Housing Act (Government Code Sections 12900 et seq.), the Federal Civil Rights Act of 1964
19 (P.L. 88-352), as amended, and all Administrative Rules and Regulations issued pursuant to said
20 Acts and Orders with respect to its use of the Property.

21 BORROWER herein covenants by and for itself, its successors and assigns, and all persons
22 claiming under or through them, that this Covenant is made and accepted upon and subject to the
23 following conditions: There shall be no discrimination against or segregation of any person or
24 group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the
25 Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and
26 paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code,
27 in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall
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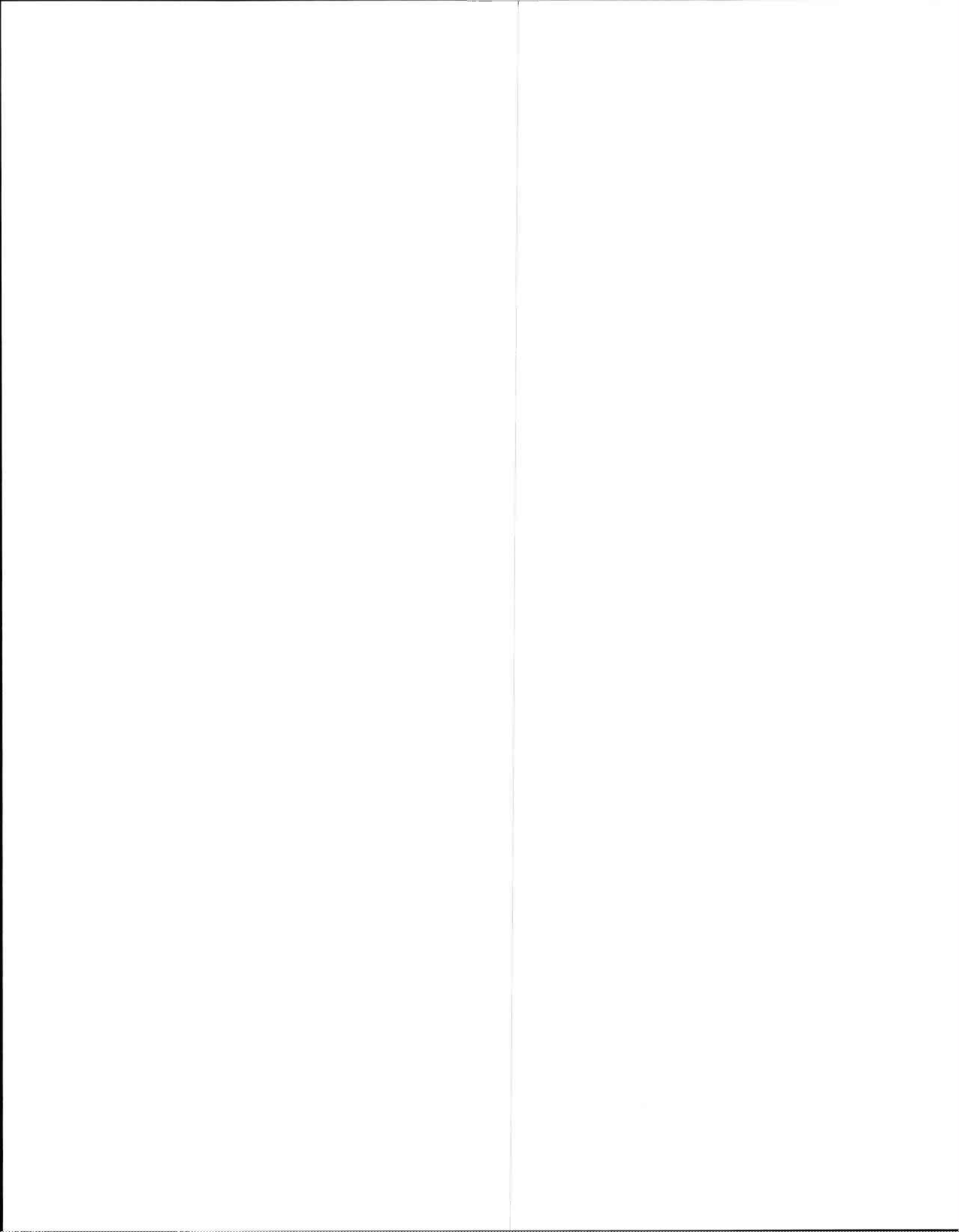


1 the transferee itself or any person claiming under or through him or her, establish or permit any
2 such practice or practices of discrimination or segregation with reference to the selection, location,
3 number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the Property.

4 BORROWER, its successors and assigns, shall refrain from restricting the rental, sale, or
5 lease of the Property or any portion thereof, on the basis of race, color, creed, religion, sex, sexual
6 orientation, marital status, national origin, or ancestry of any person. Every deed, lease, and
7 contract entered into with respect to the Property, or any portion thereof, after the date of this
8 Agreement shall contain or be subject to substantially the following nondiscrimination or
9 nonsegregation clauses:

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

23 b. In leases: "The lessee herein covenants by and for himself or herself, his or her
24 heirs, executors, administrators, and assigns, and all persons claiming under or
25 through him or her, and this lease is made and accepted upon and subject to the
26 following conditions: That there shall be no discrimination against or
27 segregation of any person or group of persons, on account of any basis listed in
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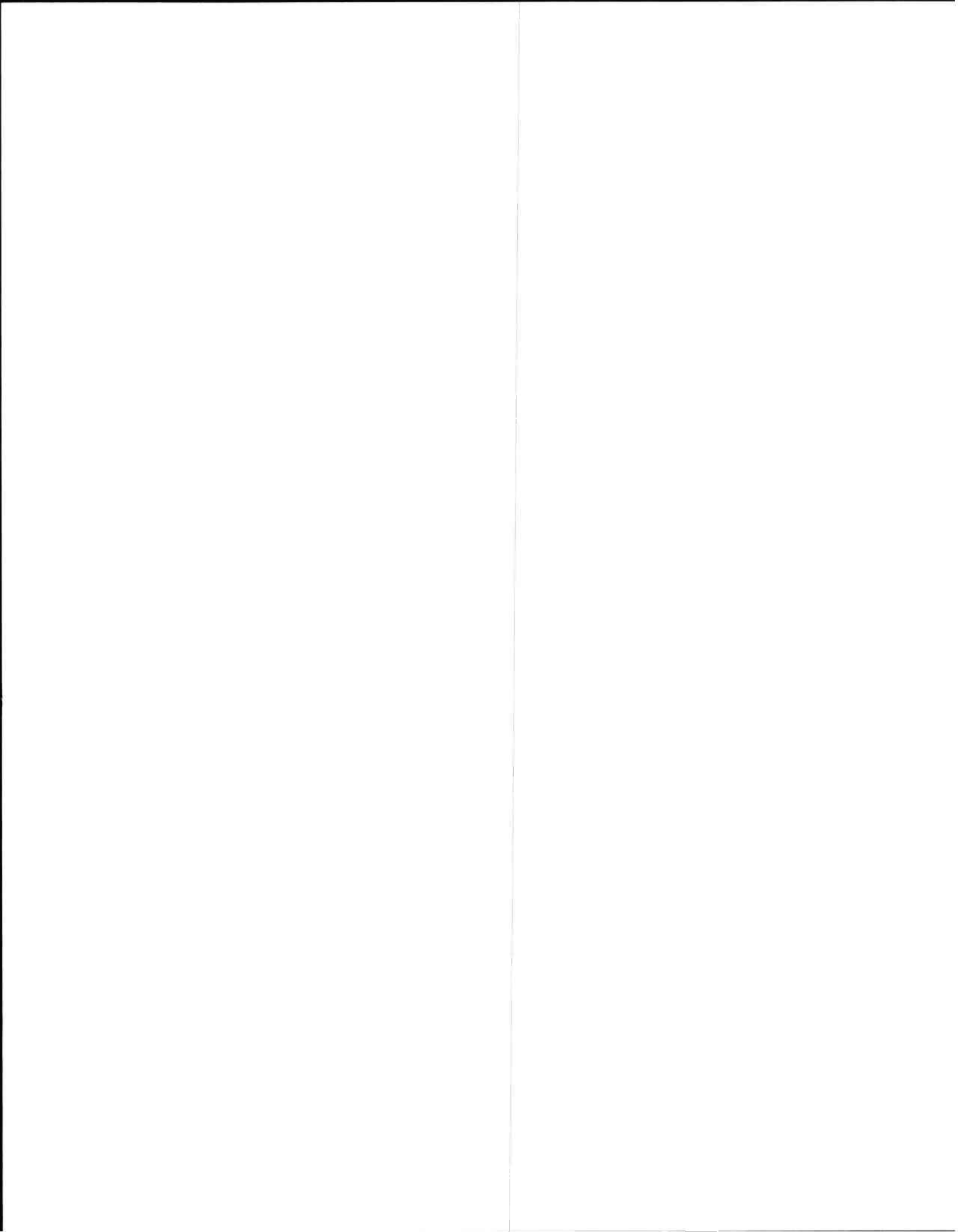
1 subdivision (a) or (d) of Section 12955 of the Government Code, as those bases
2 are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of
3 subdivision (p) of Section 12955, and Section 12955.2 of the Government
4 Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or
5 enjoyment of the premises herein leased nor shall the lessee himself or herself,
6 or any person claiming under or through him or her, establish or permit any
7 such practice or practices of discrimination or segregation with reference to the
8 selection, location, number, use, or occupancy, of tenants, lessees, sublessees,
9 subtenants, or vendees in the premises herein leased.”

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

20 In addition to the obligations and duties of BORROWER set forth herein, BORROWER
21 shall, upon notice from COUNTY, promptly pay to COUNTY all fees and costs, including
22 administrative and attorneys’ fees, incurred by COUNTY in connection with responding to or
23 defending any discrimination claim brought by any third party and/or local, state or federal
24 government entity, arising out of or in connection with this Agreement or the Covenant Agreement
25 attached hereto.

26 25. PROHIBITION AGAINST CONFLICTS OF INTEREST:

- 27 a. BORROWER and its assigns, employees, agents, consultants, officers and
28



1 elected and appointed officials shall become familiar with and shall comply
2 with the conflict of interest provisions of the ARPA Rules, attached hereto as
3 **Exhibit D** and by this reference incorporated herein.

4 b. Reserved.

5 c. Prior to any funding under this Agreement, BORROWER shall provide
6 COUNTY with a list of all employees, agents, consultants, officers and elected
7 and appointed officials who are in a position to participate in a decision-making
8 process, exercise any functions or responsibilities, or gain inside information
9 with respect to the ARPA activities funded under this Agreement.
10 BORROWER shall also promptly disclose to COUNTY any potential conflict,
11 including even the appearance of conflict that may arise with respect to the
12 ARPA activities funded under this Agreement.

13 d. Any violation of this section shall be deemed a material breach of this
14 Agreement, and the Agreement shall be immediately terminated by COUNTY.

15 26. RESERVED.

16 27. PROJECT MONITORING AND EVALUATION.

17 a. Inspections. During the Affordability Period, COUNTY will perform on-site
18 inspections of the Project to determine compliance with the property standards
19 and to verify the information submitted by the owners in accordance with
20 requirements. The on-site inspections must occur within twelve (12) months
21 after Covenant Agreement and at least once every three (3) years thereafter
22 during the Affordability Period. If there are observed deficiencies for any of
23 the inspectable items in the property standards established by COUNTY, a
24 follow-up on-site inspection to verify that deficiencies are corrected must occur
25 within twelve (12) months. COUNTY may establish a list of non-hazardous
26 deficiencies for which correction can be verified by third party documentation
27 (e.g., paid invoice for work order) rather than re-inspection. Health and safety
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1 deficiencies must be corrected immediately. COUNTY must adopt a more
2 frequent inspection schedule for properties that have been found to have health
3 and safety deficiencies

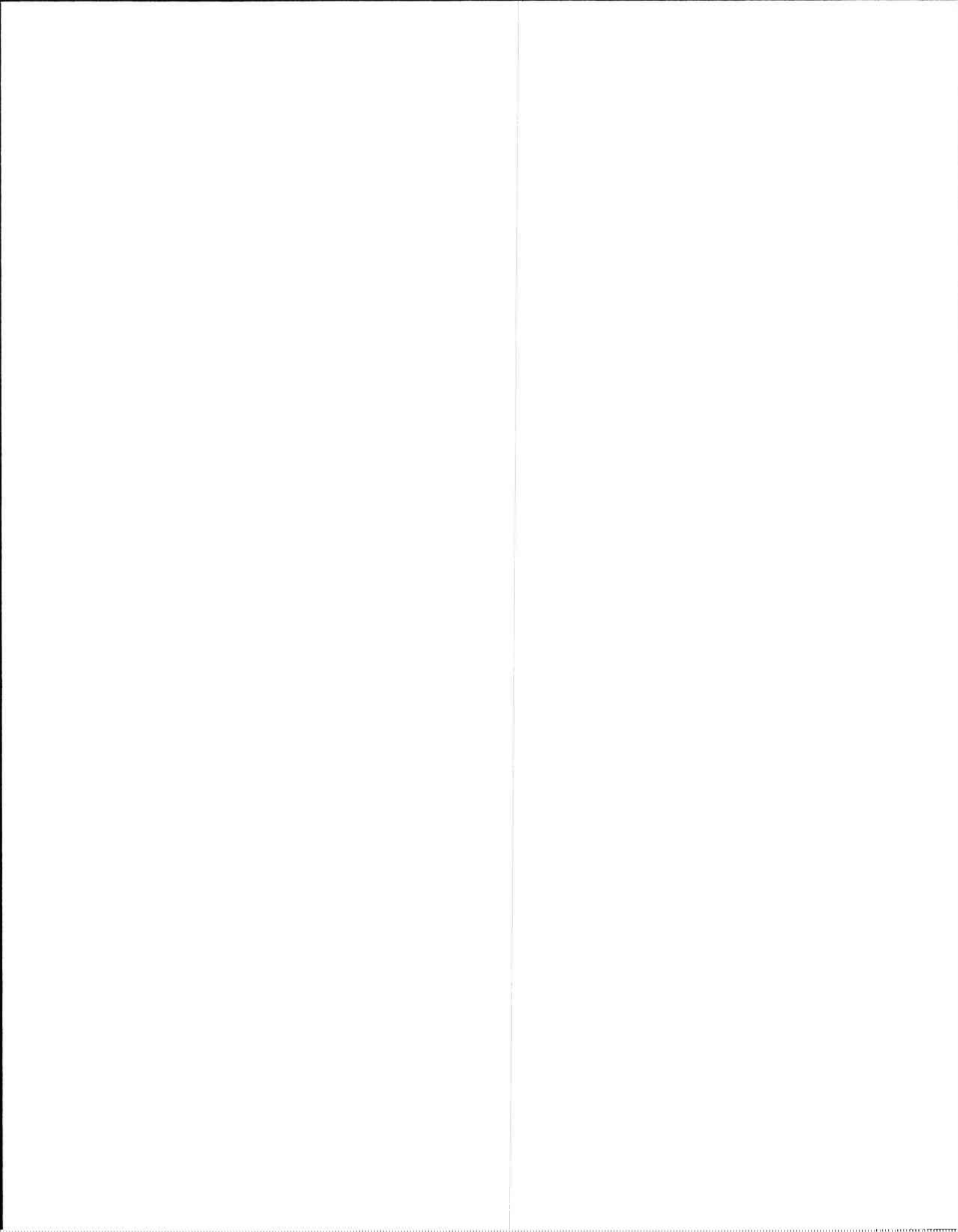
4 28. MONITORING FEE. BORROWER shall not be required to pay an annual
5 compliance monitoring fee to the COUNTY.

6 29. ACCESS TO PROJECT SITE. COUNTY, state and/or federal awarding agencies
7 shall have the right to access the Project site and the Property at all reasonable times, and upon
8 completion of the Project upon reasonable written notice to BORROWER, to review the
9 operation of the Project in accordance with this Agreement.

10 30. EVENTS OF DEFAULT. The occurrence of any of the following events shall
11 constitute an "Event of Default" under this Agreement:

12 a. Monetary Default. (1) BORROWER's failure to pay when due any sums
13 payable under this Agreement, the Covenant Agreement, the ARPA Note or
14 any advances made by COUNTY under this Agreement; (2) BORROWER's or
15 any agent of BORROWER's use of ARPA Act funds for costs other than those
16 costs permitted under this Agreement or for uses inconsistent with terms and
17 restrictions set forth in this Agreement; (3) BORROWER's or any agent of
18 BORROWER's failure to make any other payment of any assessment or tax
19 due under this Agreement, and /or (4) default under the terms of any senior
20 loan documents or any other instrument or document secured against the
21 Property;

22 b. Non-Monetary Default. (1) Discrimination by BORROWER or
23 BORROWER's agent(s) on the basis of characteristics prohibited by this
24 Agreement or applicable law; (2) the imposition of any encumbrances or liens
25 on the Project without COUNTY's prior written approval that are prohibited
26 under this Agreement or that have the effect of reducing the priority or
27 invalidating the lien of the ARPA Deed of Trust; (3) BORROWER's failure to
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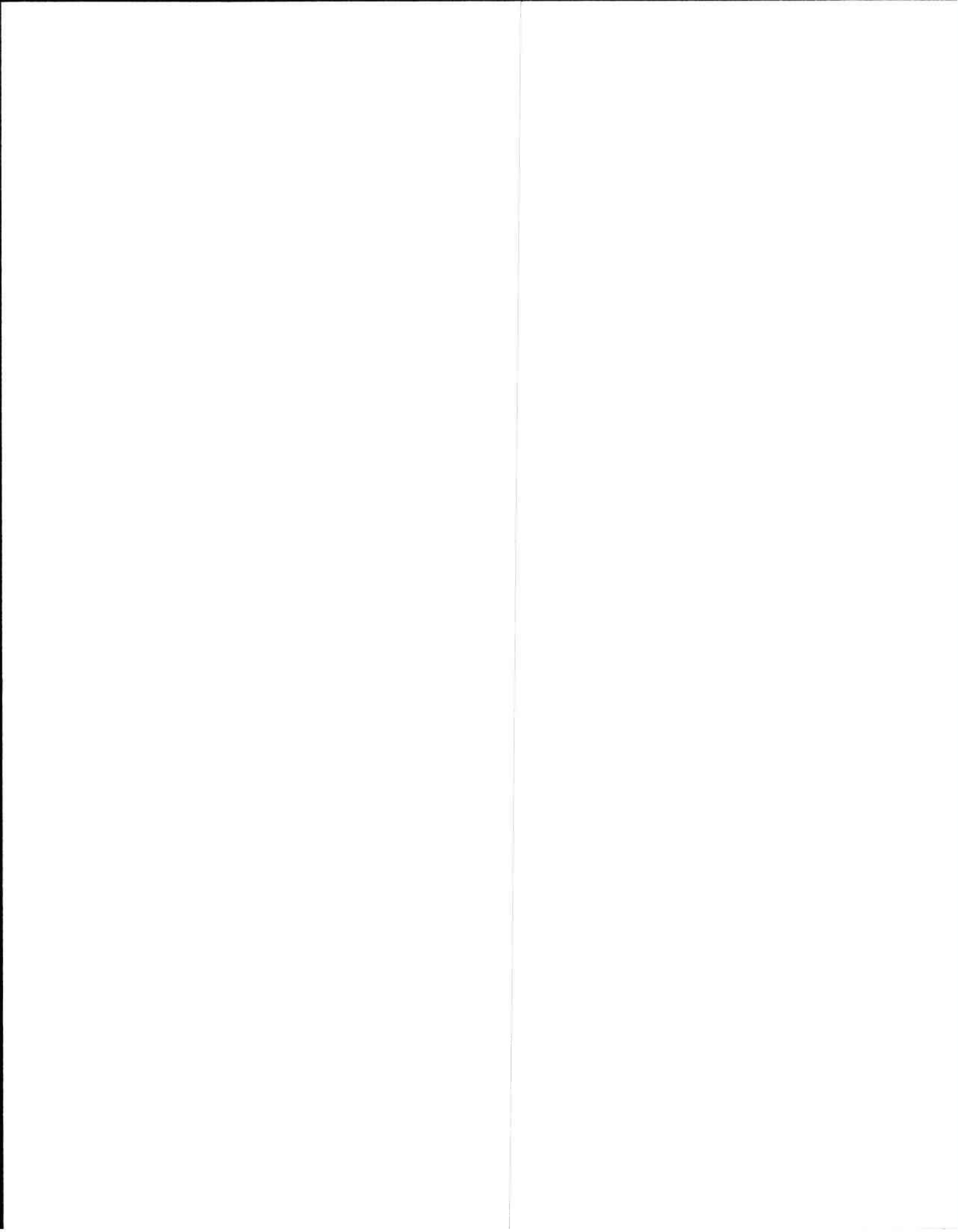
1 obtain and maintain the insurance coverage required under this Agreement; (4)
2 any material default under this Agreement, the ARPA Loan Deed of Trust,
3 Covenant Agreement, ARPA Note or any document executed by the County in
4 connection with this Agreement, and /or (5) a default under the terms of any
5 senior loan documents or any other instrument or document secured against the
6 Property or the Project;

7 c. General Performance of Loan Obligations. Any substantial or continuous or
8 repeated breach by BORROWER or BORROWER's agents of any material
9 obligations of BORROWER under this Agreement;

10 d. General Performance of Other Obligations. Any substantial or continuous or
11 repeated breach by BORROWER or BORROWER's agents of any material
12 obligations of BORROWER related to the Project imposed by any other
13 agreement with respect to the financing, development, or operation of the
14 Project; whether or not COUNTY is a party to such agreement; but only
15 following any applicable notice and cure periods with respect to any such
16 obligation;

17 e. Representations and Warranties. A determination by COUNTY that any of
18 BORROWER's representations or warranties made in this Agreement, any
19 statements made to COUNTY by BORROWER, or any certificates, documents,
20 or schedules supplied to COUNTY by BORROWER were false in any material
21 respect when made, or that BORROWER concealed or failed to disclose a
22 material fact to COUNTY.

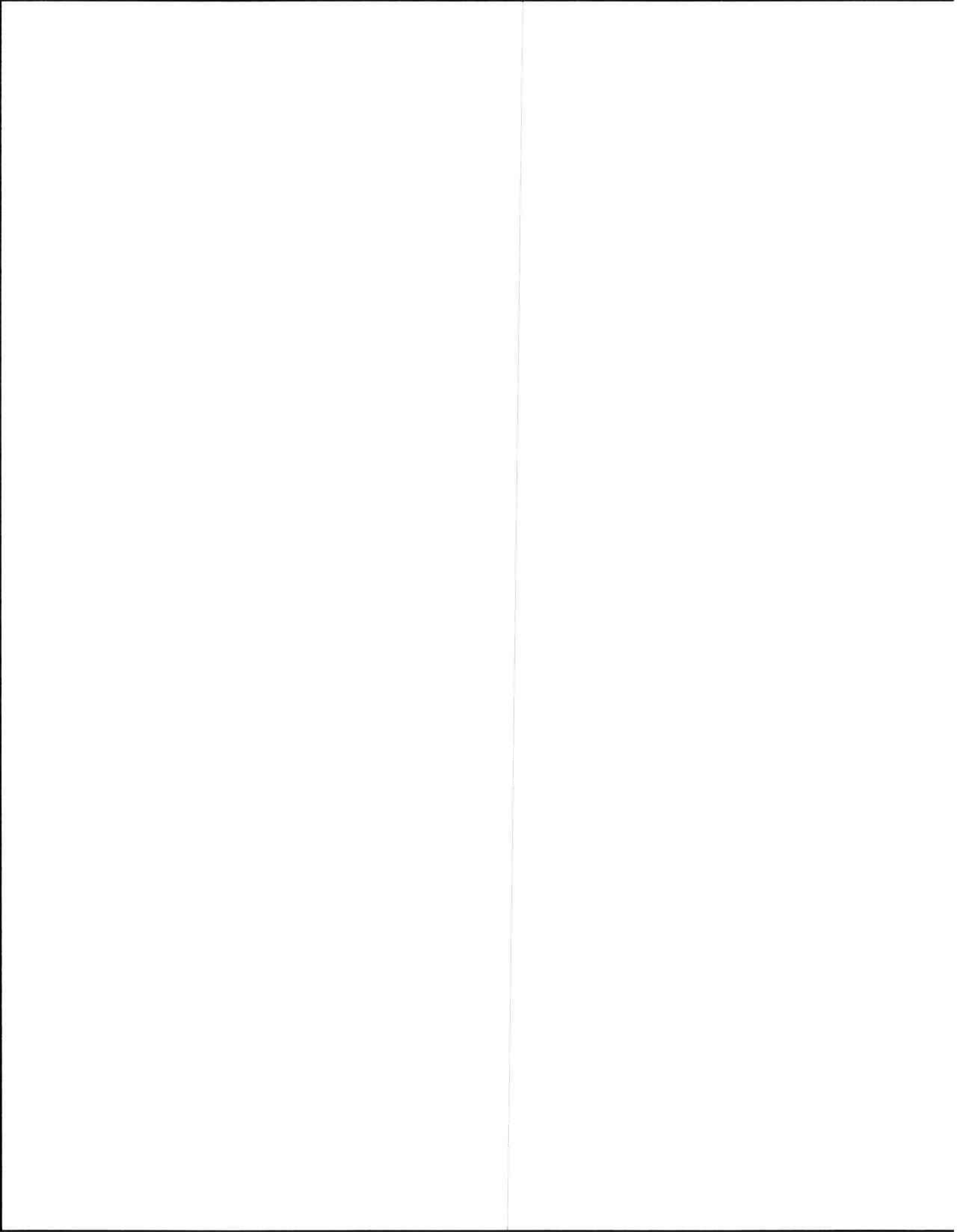
23 f. Damage to Project. In the event that the Project is materially damaged or
24 destroyed by fire or other casualty, and BORROWER receives an award or
25 insurance proceeds sufficient for the repair or reconstruction of the Project, and
26 BORROWER does not use such award or proceeds to repair or reconstruct the
27 Project.
28



1 g. Bankruptcy, Dissolution and Insolvency. BORROWER's or general partner
2 and co-general partner of BORROWER's (1) filing for bankruptcy, dissolution,
3 or reorganization, or failure to obtain a full dismissal of any such involuntary
4 filing brought by another party before the earlier of final relief or ninety (90)
5 days after such filing; (2) making a general assignment for the benefit of
6 creditors; (3) applying for the appointment of a receiver, trustee, custodian, or
7 liquidator, or failure to obtain a full dismissal of any such involuntary
8 application brought by another party before the earlier of final relief or ninety
9 (90) days after such filing; (4) insolvency; or (5) failure, inability or admission
10 in writing of its inability to pay its debts as they become due.

11 31. NOTICE OF DEFAULT AND OPPORTUNITY TO CURE. Formal notices,
12 demands and communications between the COUNTY and the BORROWER shall be
13 sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt
14 requested, to the principal offices of the COUNTY and the BORROWER, as designated in
15 **Section 53** below. Such written notices, demands and communications may be sent in the same
16 manner to such other addresses as either party may from time to time designate by mail as
17 provided in this **Section 31**. Any notice that is transmitted by electronic facsimile transmission
18 followed by delivery of a "hard" copy, shall be deemed delivered upon its transmission; any
19 notice that is personally delivered (including by means of professional messenger service,
20 courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service),
21 shall be deemed received on the documented date of receipt by the recipient; and any notice that
22 is sent by registered or certified mail, postage prepaid, return receipt required shall be deemed
23 received on the date of delivery thereof.

24 a. Subject to the Force Majeure Delay, as provided in **Section 9**, failure or delay
25 by BORROWER to perform any term or provision of this Agreement
26 constitutes a default under this Agreement. BORROWER must immediately
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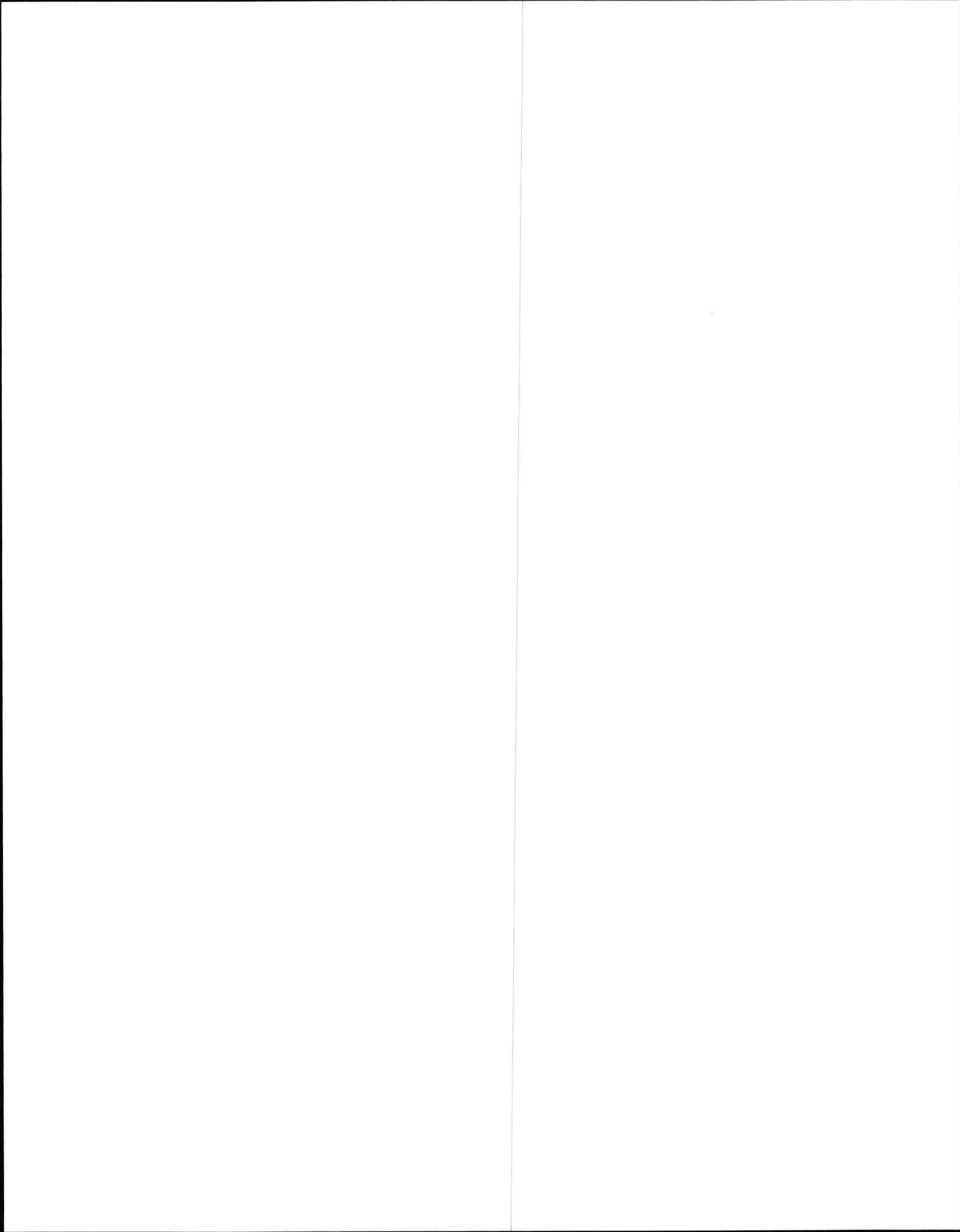


1 commence to cure, correct or remedy such failure or delay and shall complete
2 such cure, correction or remedy with reasonable diligence.

3 b. COUNTY shall give written notice of default to BORROWER, specifying the
4 default complained of by COUNTY. Failure or delay in giving such notice
5 shall not constitute a waiver of any default, nor shall it change the time of
6 default. Except as otherwise expressly provided in this Agreement, any failures
7 or delays by COUNTY in asserting any of its rights and remedies as to any
8 default shall not operate as a waiver of any default or of any such rights or
9 remedies. Delays by COUNTY in asserting any of its rights and remedies shall
10 not deprive COUNTY of its right to institute and maintain any actions or
11 proceedings which it may deem necessary to protect, assert or enforce any such
12 rights or remedies.

13 c. If a monetary event of default occurs, prior to exercising any remedies
14 hereunder, COUNTY shall give BORROWER written notice of such default.
15 BORROWER shall have a period of ten (10) days after such notice is given
16 within which to cure the default prior to exercise of remedies by COUNTY.

17 d. If a non-monetary event of default occurs, prior to exercising any remedies
18 hereunder, COUNTY shall give BORROWER written notice of such default.
19 If the default is reasonably capable of being cured within thirty (30) days,
20 BORROWER shall have such period to effect a cure prior to exercise of
21 remedies by COUNTY. If the default is such that it is not reasonably capable
22 of being cured within thirty (30) days, and BORROWER (i) initiates corrective
23 action within said period, and (ii) diligently, continually, and in good faith
24 works to effect a cure as soon as possible, then BORROWER shall have such
25 additional time as is reasonably necessary to cure the default prior to exercise
26 of any remedies by the injured party, but in no event no more than sixty (60)
27 days from the date of the notice of default. In no event shall COUNTY be
28



1 precluded from exercising remedies if its security becomes or is about to
2 become materially jeopardized by any failure to cure a default or the default is
3 not cured within sixty (60) days after the first notice of default is given.

4 e. Any cure tendered by BORROWER'S Affiliate shall be accepted or rejected on
5 the same basis as if tendered by BORROWER.

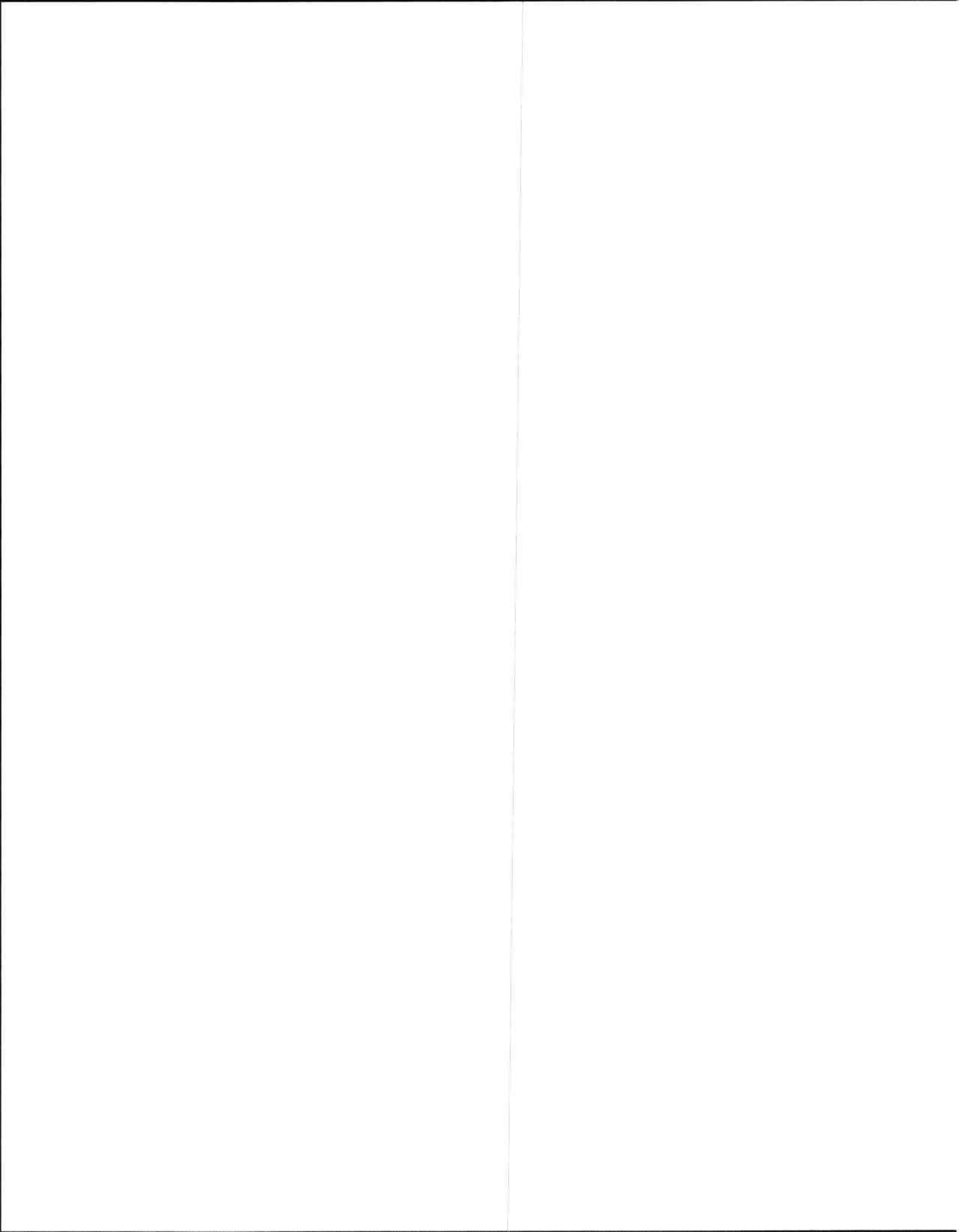
6 32. COUNTY REMEDIES. Upon the occurrence of an Event of Default, after notice
7 and opportunity to cure, COUNTY's obligation to disburse SLFRF funds shall terminate, and
8 COUNTY shall also have the right, but not the obligation to, in addition to other rights and
9 remedies permitted by this Agreement or applicable law, proceed with any or all of the
10 following remedies in any order or combination COUNTY may choose in its sole discretion:

11 a. Terminate this Agreement, in which event the entire ARPA Loan amount as
12 well as any other monies advanced to BORROWER by COUNTY under this
13 Agreement including administrative costs, shall immediately become due and
14 payable to COUNTY at the option of COUNTY.

15 b. Bring an action in equitable relief (1) seeking the specific performance by
16 BORROWER of the terms and conditions of this Agreement, and/or (2)
17 enjoining, abating, or preventing any violation of said terms and conditions,
18 and/or (3) seeking declaratory relief.

19 c. Accelerate the ARPA Loan and demand immediate full payment of the
20 principal payment outstanding and all accrued interest under the ARPA Note,
21 as well as any other monies advanced to BORROWER by COUNTY under this
22 Agreement.

23 d. Enter the Project and take any remedial actions necessary in its judgment with
24 respect to hazardous materials that COUNTY deems necessary to comply with
25 hazardous materials laws or to render the Project suitable for occupancy, which
26 costs shall be due and payable by BORROWER to COUNTY.



1 e. Enter upon, take possession of, and manage the Project, either in person, by
2 agent, or by a receiver appointed by a court, and collect rents and other amounts
3 specified in the assignment of rents in the Deed of Trust and apply them to
4 operate the Project or to pay off the ARPA Loan or any advances made under
5 this Agreement, as provided for by the ARPA Deed of Trust.

6 f. Pursue any other remedies allowed at law or in equity.

7 33. RESERVED.

8 34. BORROWER'S WARRANTIES. BORROWER represents and warrants (1) that
9 it has access to professional advice and support to the extent necessary to enable BORROWER
10 to fully comply with the terms of this Agreement, and to otherwise carry out the Project, (2)
11 that it is duly organized, validly existing and in good standing under the laws of the State of
12 California, (3) that it has the full power and authority to undertake the Project and to execute
13 this Agreement, (4) that the persons executing and delivering this Agreement are authorized to
14 execute and deliver such documents on behalf of BORROWER and (5) that neither
15 BORROWER nor any of its principals is presently debarred, suspended, proposed for
16 debarment, declared ineligible, or voluntarily excluded from participation in connection with
17 the transaction contemplated by this Agreement.

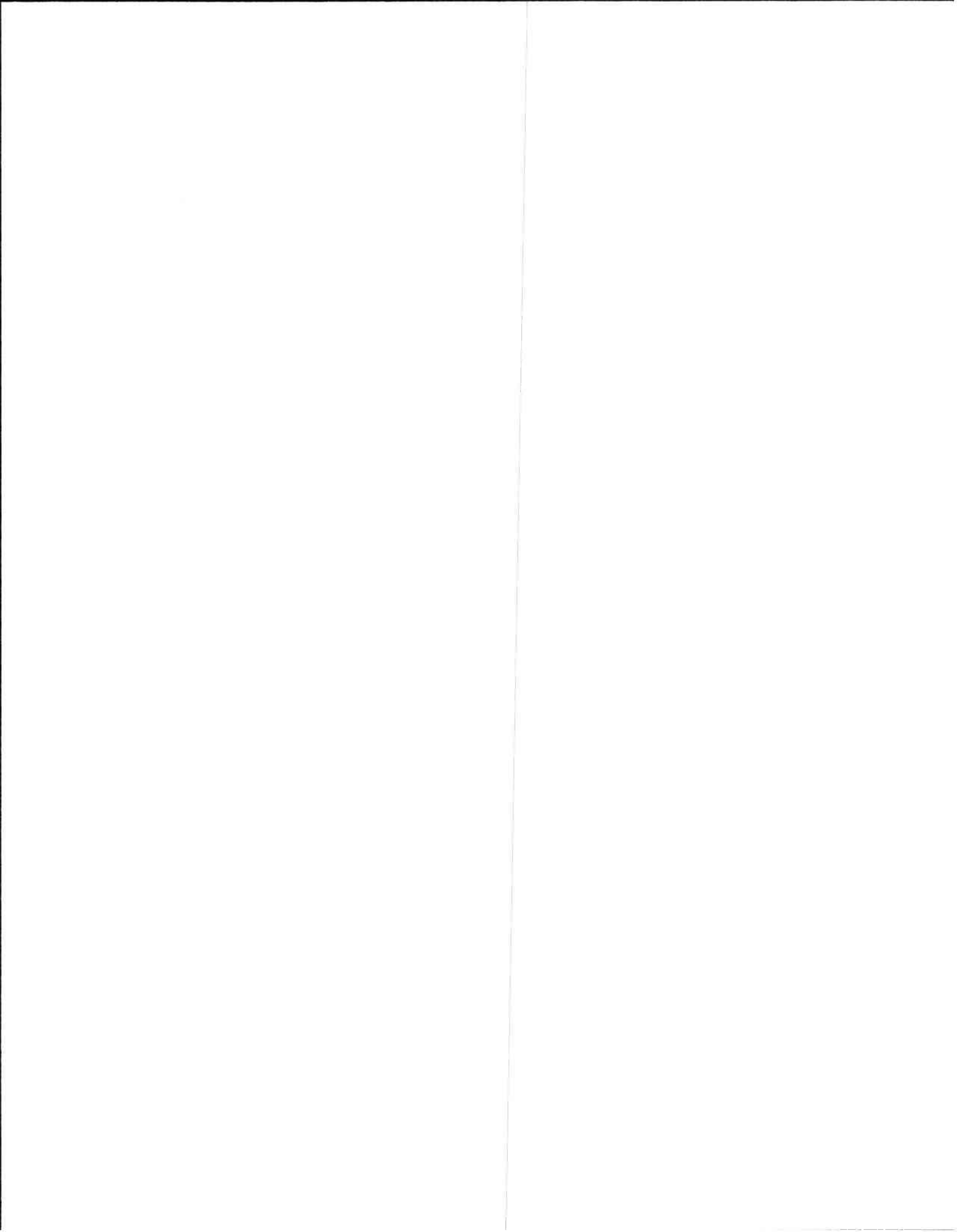
18 35. BORROWER'S CERTIFICATION. BORROWER certifies, to the best of its
19 knowledge and belief, that:

20 a. No federally appropriated funds have been paid or will be paid, by or on behalf
21 of the undersigned, to any person for influencing or attempting to influence an
22 officer or employee of any agency, a member of Congress, an officer or
23 employee of Congress, or an employee of a member of Congress in connection
24 with the awarding of any federal contract, the making of any federal grant, the
25 making of any federal loan, the entering into of any cooperative agreement, and
26 the extension, continuation, review, amendment, or modification of any federal
27 contract, grant, loan, or cooperative agreement.
28

1 b. If any funds other than federally appropriated funds have been paid or will be
2 paid to any person for influencing or attempting to influence an officer or
3 employee of any agency, a member of Congress, an officer or employee of
4 Congress, or an employee of a member of Congress in connection with this
5 federal contract, grant, loan, or cooperative agreement, the undersigned shall
6 complete and submit Standard Form-LLL, "Disclosure Form to Report
7 Lobbying," in accordance with its instructions.

8 c. The undersigned shall require that the language of this certification be included
9 in the award documents for all sub-awards at all tiers (including subcontracts,
10 sub-grants, and contracts under grants, loans, and cooperative agreements) and
11 that BORROWER shall certify and disclose accordingly. This certification is a
12 material representation of fact upon which reliance was placed when this
13 transaction was made or entered into.

14 36. HOLD HARMLESS AND INDEMNIFICATION. BORROWER shall indemnify
15 and hold harmless the County of Riverside, its Agencies, Boards, Districts, Special Districts and
16 Departments, their respective directors, officers, Board of Supervisors, elected and appointed
17 officials, employees, agents and representatives (collectively the "Indemnified Parties") from any
18 liability whatsoever, based or asserted upon any services of BORROWER, its officers,
19 employees, subcontractors, agents or representatives arising out of their performance under this
20 Agreement, including but not limited to property damage, bodily injury, or death or any other
21 element of any kind or nature whatsoever arising from the performance of BORROWER, its
22 officers, agents, employees, subcontractors, agents or representatives under this Agreement.
23 BORROWER shall defend, at its sole expense, all costs and fees including, but not limited, to
24 attorney fees, cost of investigation, defense and settlements or awards, the County of Riverside,
25 its Agencies, Districts, Special Districts and Departments, their respective directors, officers,
26 Board of Supervisors, elected and appointed officials, employees, agents and representatives in
27 any claim or action based upon such alleged acts or omissions.
28



1 With respect to any action or claim subject to indemnification herein by BORROWER,
2 BORROWER shall, at their sole cost, have the right to use counsel of their own choice and shall
3 have the right to adjust, settle, or compromise any such action or claim without the prior consent
4 of COUNTY; provided, however, that any such adjustment, settlement or compromise in no
5 manner whatsoever limits or circumscribes BORROWER'S indemnification to COUNTY as set
6 forth herein.

7 BORROWER's obligation hereunder shall be satisfied when BORROWER has provided
8 to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action
9 or claim involved.

10 The specified insurance limits required in this Agreement shall in no way limit or
11 circumscribe BORROWER's obligations to indemnify and hold harmless COUNTY herein from
12 third party claims.

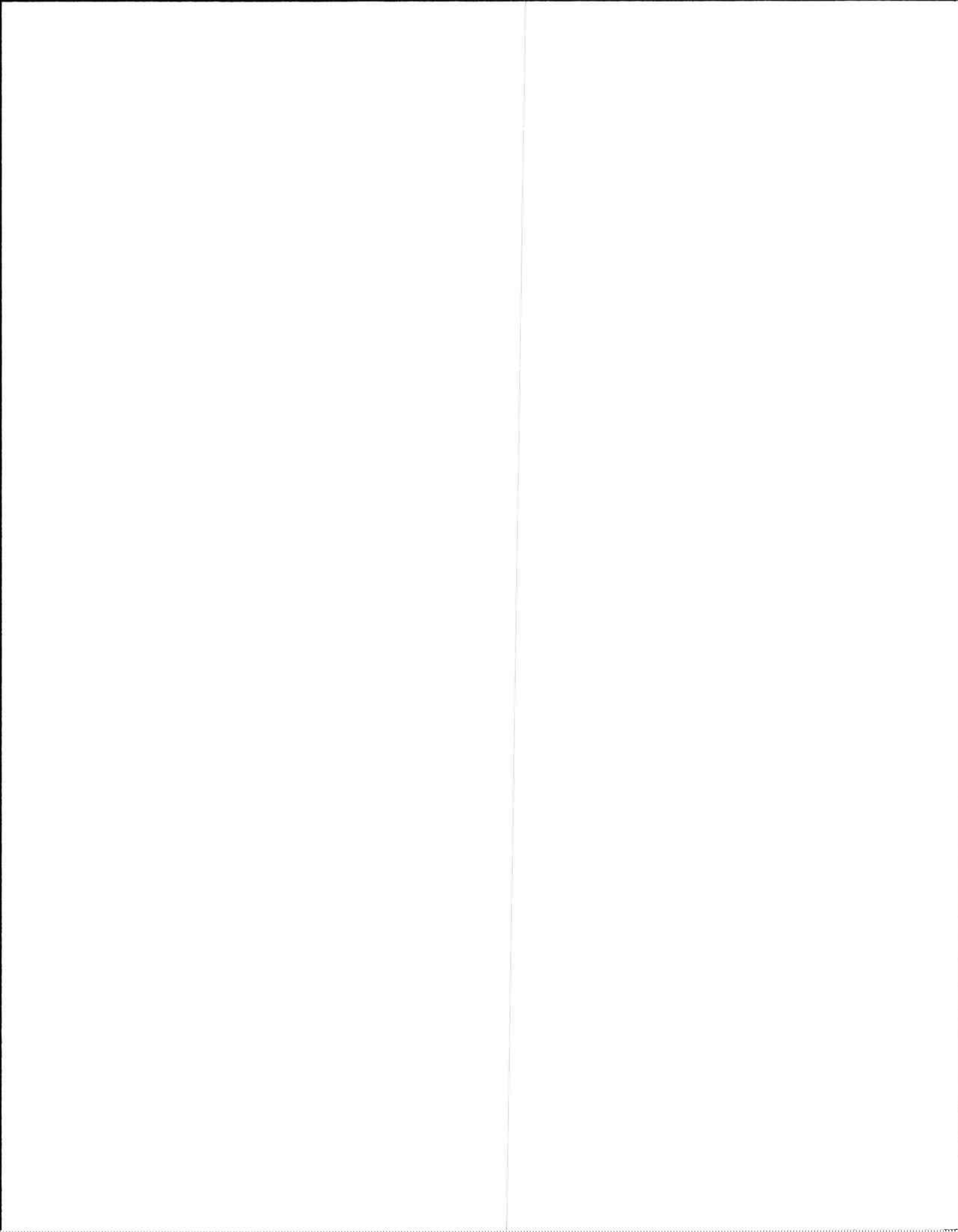
13 In the event there is conflict between this clause and California Civil Code Section 2782,
14 this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not
15 relieve BORROWER from indemnifying COUNTY to the fullest extent allowed by law.

16 BORROWER's obligations set forth in this **Section 36** shall survive the expiration or
17 earlier termination of this Agreement.

18 37. TERMINATION.

19 a. BORROWER. BORROWER may terminate this Agreement prior to
20 disbursement of any ARPA Loan funds by COUNTY in accordance with the
21 applicable ARPA regulations.

22 b. COUNTY. Notwithstanding the provisions of **Section 32(a)**, COUNTY may
23 suspend or terminate this Agreement upon written notice to BORROWER of
24 the action being taken and the reason for such action in the event one of the
25 following events occur:



1 (i) In the event BORROWER fails to perform the covenants herein
2 contained at such times and in such manner as provided in this
3 Agreement after the applicable notice and cure provision hereof; or

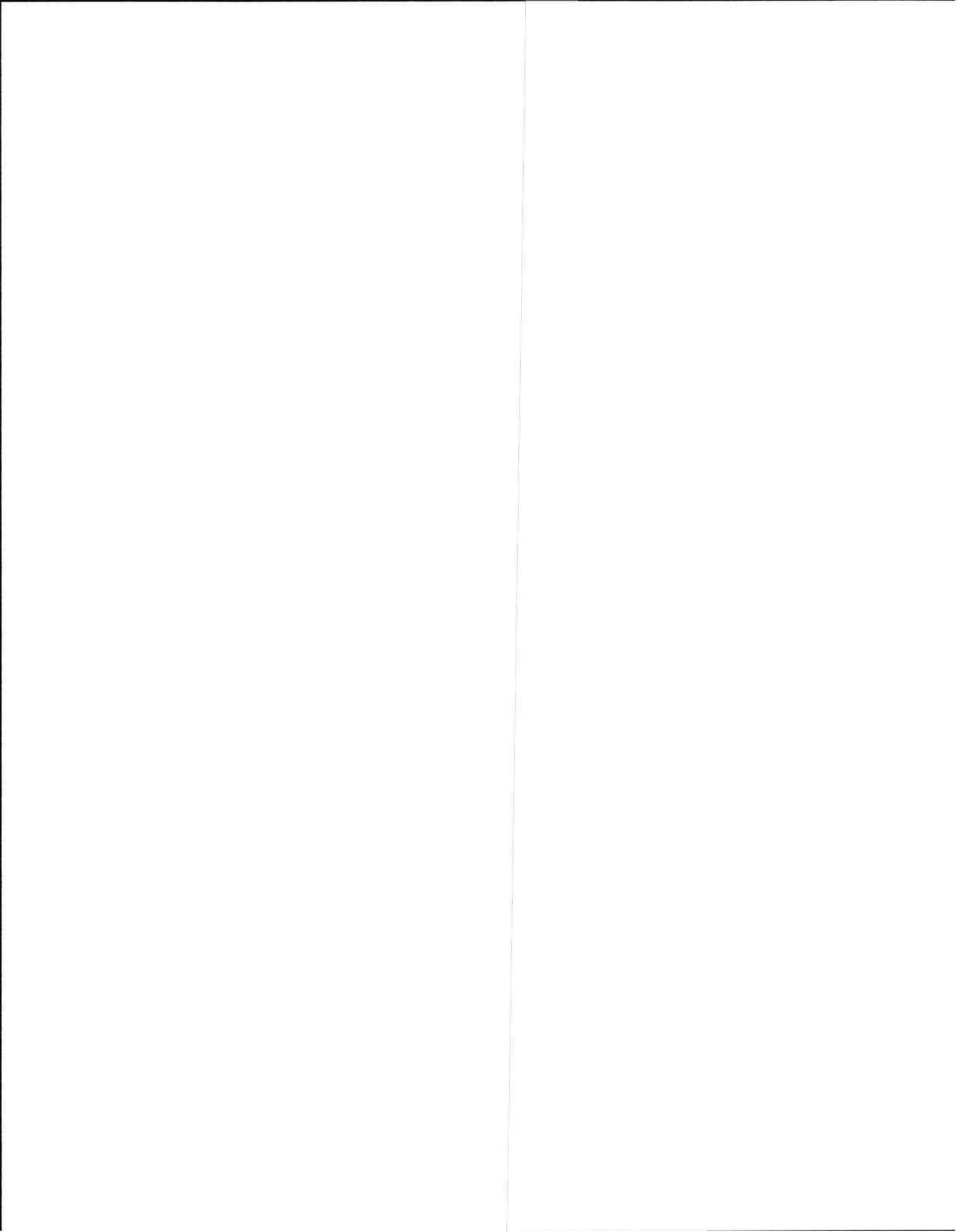
4 (ii) In the event there is a conflict with any federal, state or local law,
5 ordinance, regulation or rule rendering any material provision, in the
6 judgment of COUNTY of this Agreement invalid or untenable; or

7 (iii) In the event the ARPA funding identified in **Section 1** above is
8 terminated or otherwise becomes unavailable.

9 c. This Agreement may be terminated or funding suspended in whole or in part
10 for cause. Cause shall be based on the failure of BORROWER to materially
11 comply with either the terms or conditions of this Agreement after the
12 expiration of all applicable notice and cure provisions hereof. Upon suspension
13 of funding, BORROWER agrees not to incur any costs related thereto, or
14 connected with, any area of conflict from which COUNTY has determined that
15 suspension of funds is necessary.

16 d. Upon expiration or earlier termination of this Agreement, BORROWER shall
17 transfer to COUNTY any unexpended ARPA funds in its possession at the time
18 of expiration of the Agreement as well as any accounts receivable held by
19 BORROWER which are attributable to the use of ARPA funds awarded
20 pursuant to this Agreement.

21 38. AFFORDABILITY RESTRICTIONS. COUNTY and BORROWER, on behalf of
22 its successors and assigns, hereby declare their express intent that the restrictions set forth in this
23 Agreement shall continue in full force and effect for the duration of the Affordability Period (as
24 defined in **Section 14** above). Each and every contract, deed or other instrument hereafter
25 executed covering and conveying the Property or any portion thereof shall be held conclusively
26 to have been executed, delivered and accepted subject to such restrictions, regardless of whether
27 such restrictions are set forth in such contract, deed or other instrument. BORROWER shall
28



1 execute and record as a lien against the Property, a Covenant Agreement, substantially
2 conforming in form and substance to the Covenant Agreement attached hereto as **Exhibit E** and
3 incorporated herein by this reference, setting forth the use and income restriction required in this
4 Agreement.

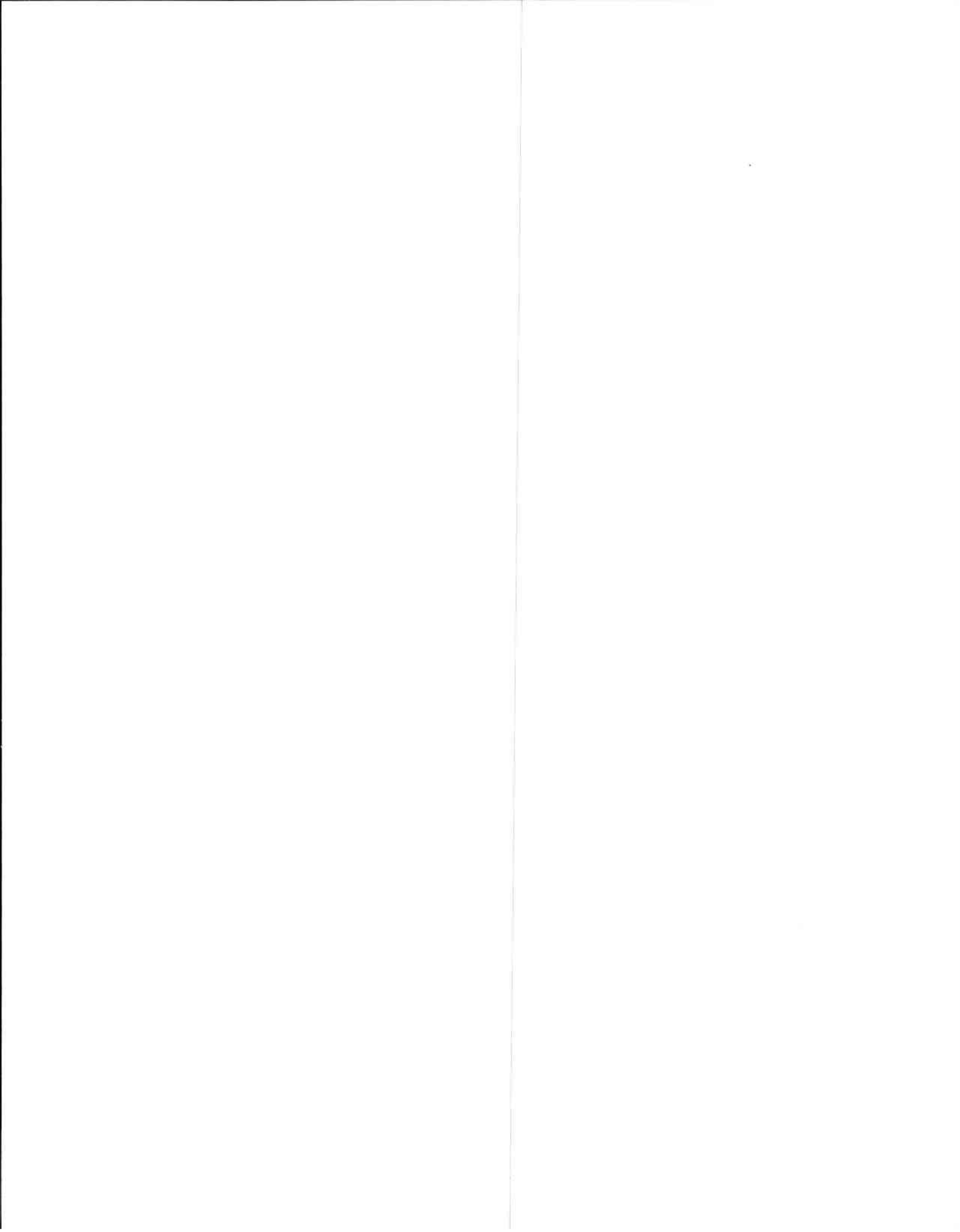
5 39. MECHANICS LIENS AND STOP NOTICES. If any claim of mechanics lien is
6 filed against the Project or a stop notice affecting the ARPA Loan is served on COUNTY,
7 BORROWER must, within twenty (20) calendar days of such filing or notification of service,
8 either pay and fully discharge the lien or stop notice, obtain a release of the lien or stop notice by
9 delivering to COUNTY a surety bond in sufficient form and amount, or provide COUNTY with
10 other assurance reasonably satisfactory to COUNTY that the lien or stop notice will be paid or
11 discharged.

12 40. ENTIRE AGREEMENT. It is expressly agreed that this Agreement embodies the
13 entire agreement of the parties in relation to the subject matter hereof, and that no other agreement
14 or understanding, verbal or otherwise, relative to this subject matter, exists between the parties at
15 the time of execution.

16 41. AUTHORITY TO EXECUTE. The persons executing this Agreement or exhibits
17 attached hereto on behalf of the parties to this Agreement hereby warrant and represent that they
18 have the authority to execute this Agreement and warrant and represent that they have the
19 authority to bind the respective parties to this Agreement to the performance of its obligations
20 hereunder.

21 42. WAIVER. Failure by a party to insist upon the strict performance of any of the
22 provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon
23 the default of the other party, shall not constitute a waiver of such party's rights to insist and
24 demand strict compliance by the other party with the terms of this Agreement thereafter.

25 43. INTERPRETATION AND GOVERNING LAW. This Agreement and any
26 dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the
27 State of California. This Agreement shall be construed as a whole according to its fair language
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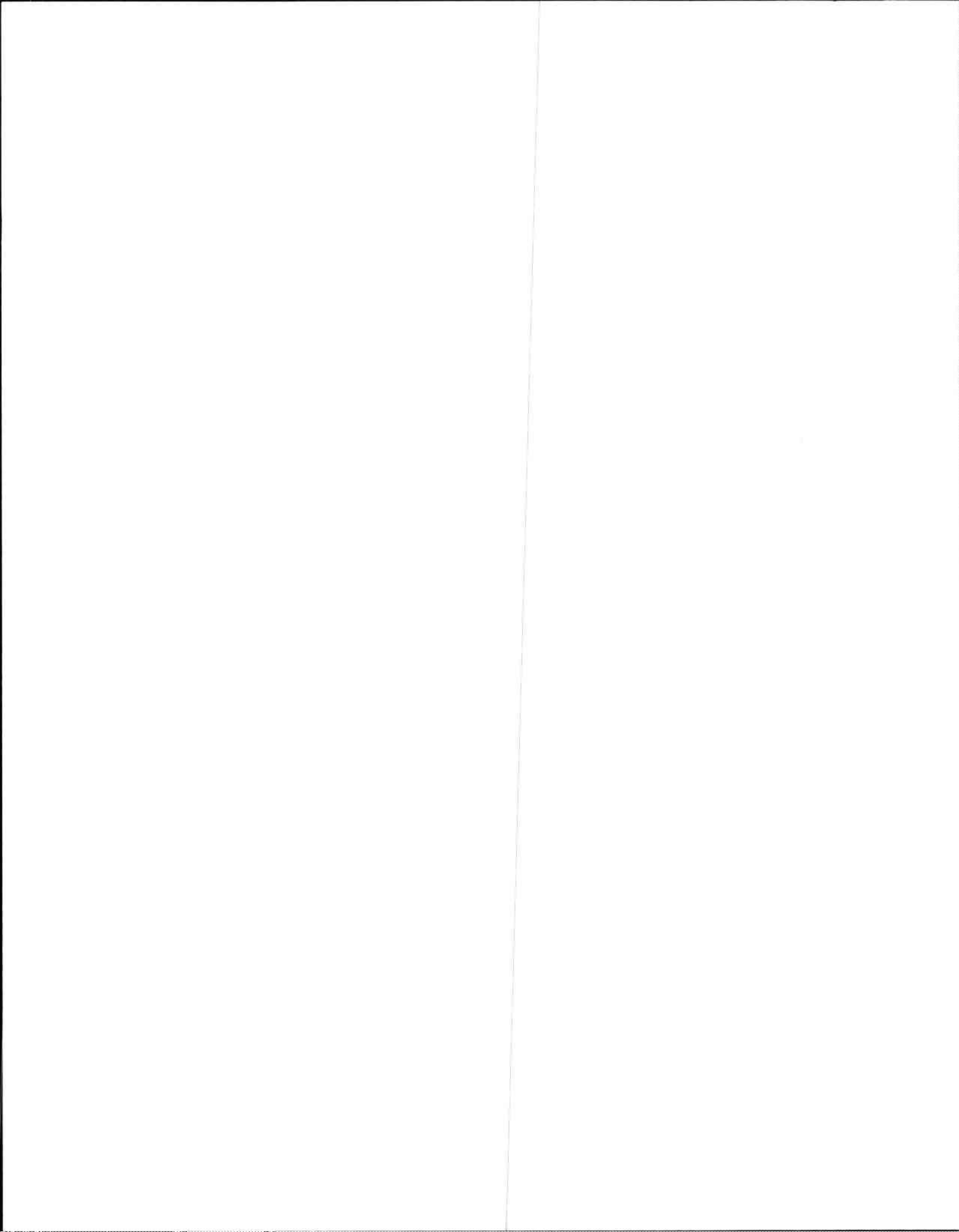
1 and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of
2 construction to the effect that ambiguities are to be resolved against the drafting party shall not
3 be employed in interpreting this Agreement, all parties having been represented by counsel in the
4 negotiation and preparation hereof.

5 44. JURISDICTION AND VENUE. Any action at law or in equity arising under this
6 Agreement or brought by a party hereto for the purpose of enforcing, construing or determining
7 the validity of any provision of this Agreement shall be filed in the Superior Court of Riverside
8 County, State of California, and the parties hereto waive all provisions of law providing for the
9 filing, removal or change of venue to any other court or jurisdiction.

10 45. SEVERABILITY. Each paragraph and provision of this Agreement is severable
11 from each other provision, and if any provision or part thereof is declared invalid, the remaining
12 provisions shall nevertheless remain in full force and effect.

13 46. MINISTERIAL ACTS. COUNTY's Director of HWS, or designee, is authorized
14 to take such ministerial actions as may be necessary or appropriate to implement the terms,
15 provisions, and conditions of this Agreement as it may be amended from time to time by both
16 parties.

17 47. MODIFICATION OF AGREEMENT. COUNTY or BORROWER may consider
18 it in its best interest to change, modify or extend a term or condition of this Agreement, provided
19 such change, modification or extension is agreed to in writing by the other party. Any such
20 change, extension or modification, which is mutually agreed upon by COUNTY and
21 BORROWER shall be incorporated in written amendments to this Agreement. Such amendments
22 shall not invalidate this Agreement, nor relieve or release COUNTY or BORROWER from any
23 obligations under this Agreement, except for those parts thereby amended. No amendment to this
24 Agreement shall be effective and binding upon the parties, unless it expressly makes reference to
25 this Agreement, is in writing, is signed and acknowledged by duly authorized representatives of
26 all parties, and approved by the COUNTY.



1 48. CONDITIONAL COMMITMENT.

2 a. Completion. The Project must be completed no later than two (2) years from
3 the Effective Date of this Agreement (the "Completion Deadline"). If
4 BORROWER is unable to meet the condition as required by this **Section 48**
5 including Extension, then COUNTY and BORROWER mutually agree that this
6 Agreement will self-terminate and any ARPA Loan funds disbursed to
7 BORROWER to date shall be returned to COUNTY within thirty (30) calendar
8 days of such termination. Upon such termination, this Agreement shall become
9 null and void. COUNTY and BORROWER shall be released and discharged
10 respectively from their obligations under this Agreement, except for those
11 provisions which by their terms survive termination. All costs incurred by each
12 party on the Project will be assumed respectively.

13 49. RESERVED.

14 50. RESERVED.

15 51. EXHIBITS AND ATTACHMENTS. Each of the attachments and exhibits
16 attached hereto is incorporated herein by this reference.

17 52. MEDIA RELEASES. BORROWER agrees to allow COUNTY to provide input
18 regarding all media releases regarding the Project. Any publicity generated by BORROWER for
19 the Project must make reference to the contribution of COUNTY in making the Project possible.
20 COUNTY's name shall be prominently displayed in all pieces of publicity generated by
21 BORROWER, including flyers, press releases, posters, signs, brochures, and public service
22 announcements. BORROWER agrees to cooperate with COUNTY in any COUNTY-generated
23 publicity or promotional activities with respect to the Project.

24 53. NOTICES. All notices, requests, demands and other communication required or
25 desired to be served by either party upon the other shall be addressed to the respective parties as
26 set forth below or the such other addresses as from time to time shall be designated by the
27
28

1 respective parties and shall be sufficient if sent by United States first class, certified mail, postage
2 prepaid, or express delivery service with a receipt showing the date of delivery.

3 COUNTY

4 Director HWS
5 County of Riverside
6 3403 10th Street, Suite 300
7 Riverside, CA 92501

BORROWER

Chief Executive Officer
Young Scholars for Academic
Empowerment, dba TruEvolution, Inc.
4164 Brockton Ave., Suite A
Riverside, CA 92501

8 54. COUNTERPARTS. This Agreement may be signed by the different parties hereto
9 in counterparts, each of which shall be an original but all of which together shall constitute one
10 and the same agreement.

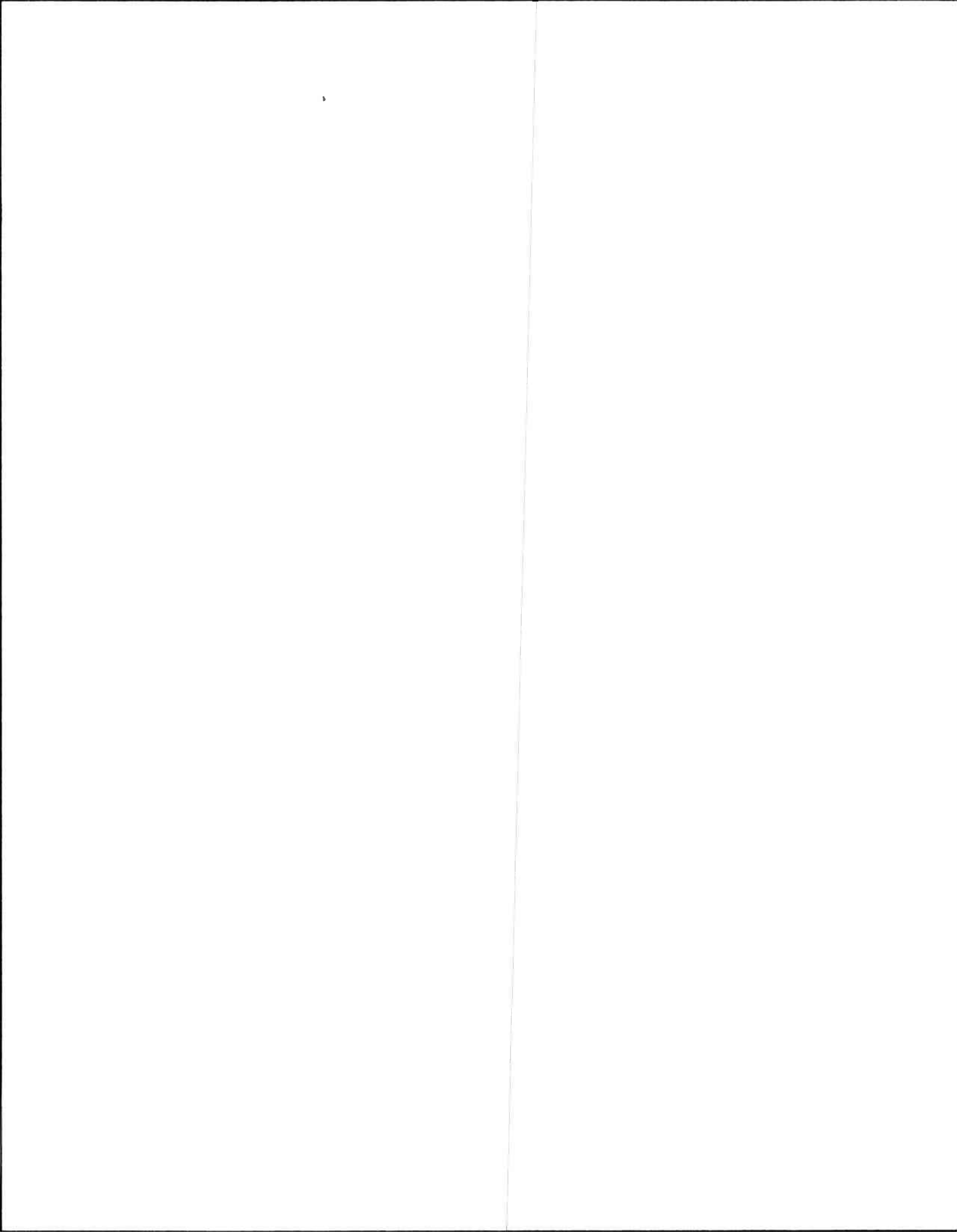
11 55. EFFECTIVE DATE. The effective date of this Agreement is the date the parties
12 execute the Agreement ("Effective Date"). If the parties execute the Agreement on more than one
13 date, then the last date the Agreement is executed by a party shall be the Effective Date.

14 56. FURTHER ASSURANCES. BORROWER shall execute any further documents
15 consistent with the terms of this Agreement, including documents in recordable form, as the
16 COUNTY may from time to time find necessary or appropriate to effectuate its purposes in
17 entering into this Agreement.

18 57. NONLIABILITY OF COUNTY OFFICIALS AND EMPLOYEES. No member,
19 official, employee or consultant of the COUNTY shall be personally liable to the BORROWER,
20 or any successor in interest, in the event of any default or breach by the COUNTY or for any
21 amount which may become due to the BORROWER or to its successor, or on any obligations
22 under the terms of this Agreement.

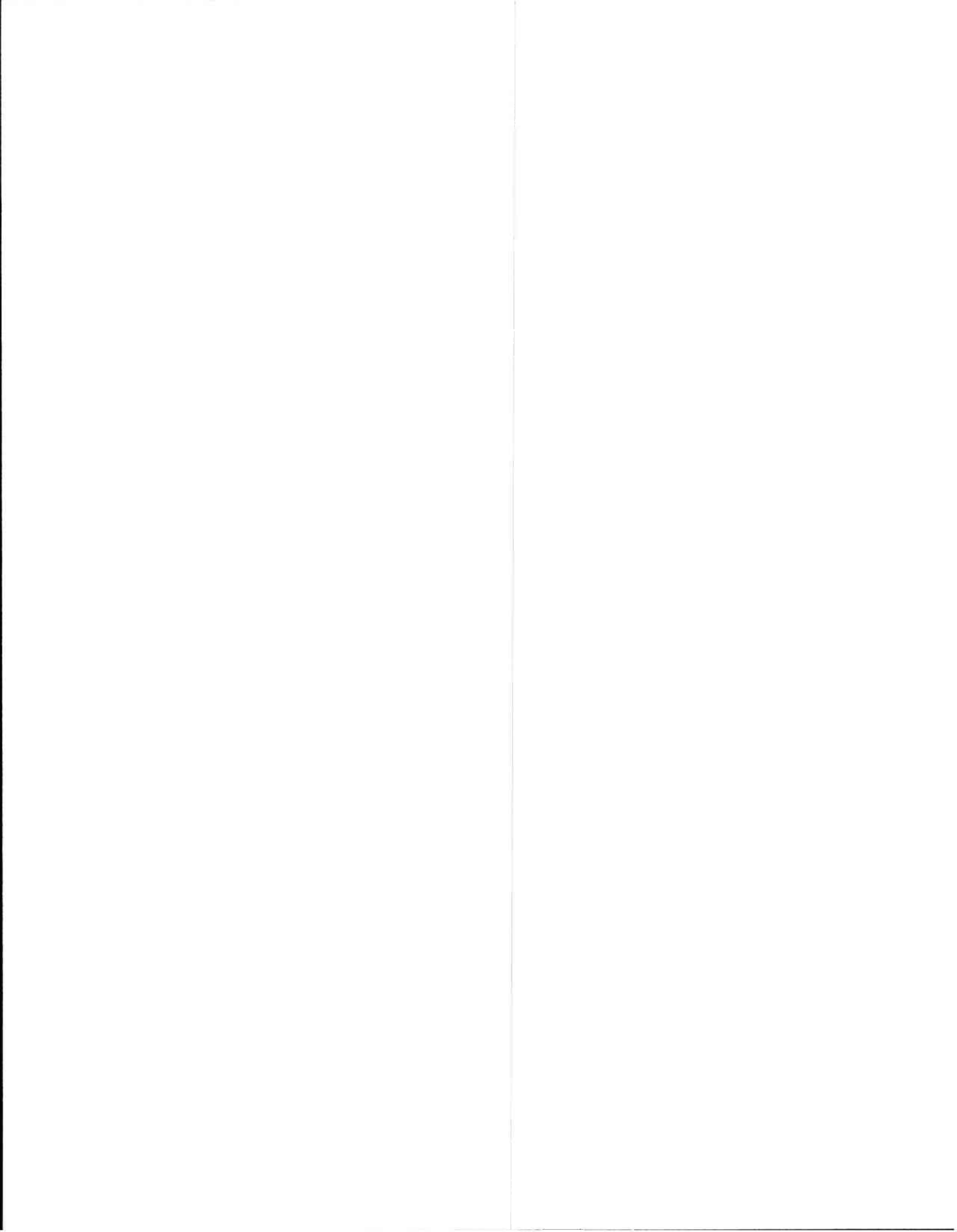
23 58. CONSTRUCTION AND INTERPRETATION OF AGREEMENT.

24 a. The language in all parts of this Agreement shall in all cases be construed
25 simply, as a whole and in accordance with its fair meaning and not strictly for
26 or against any party. The parties hereto acknowledge and agree that this
27 Agreement has been prepared jointly by the parties and has been the subject of
28 arm's length and careful negotiation over a considerable period of time, that



1 each party has been given the opportunity to independently review this
2 Agreement with legal counsel, and that each party has the requisite experience
3 and sophistication to understand, interpret, and agree to the particular language
4 of the provisions hereof. Accordingly, in the event of an ambiguity in or dispute
5 regarding the interpretation of this Agreement, this Agreement shall not be
6 interpreted or construed against the party preparing it, and instead other rules
7 of interpretation and construction shall be utilized.

- 8 b. If any term or provision of this Agreement, the deletion of which would not
9 adversely affect the receipt of any material benefit by any party hereunder, shall
10 be held by a court of competent jurisdiction to be invalid or unenforceable, the
11 remainder of this Agreement shall not be affected thereby and each other term
12 and provision of this Agreement shall be valid and enforceable to the fullest
13 extent permitted by law. It is the intention of the parties hereto that in lieu of
14 each clause or provision of this Agreement that is illegal, invalid, or
15 unenforceable, there be added as a part of this Agreement an enforceable clause
16 or provision as similar in terms to such illegal, invalid, or unenforceable clause
17 or provision as may be possible.
- 18 c. The captions of the articles, sections, and subsections herein are inserted solely
19 for convenience and under no circumstances are they or any of them to be
20 treated or construed as part of this instrument.
- 21 d. References in this instrument to this Agreement mean, refer to and include this
22 instrument as well as any riders, exhibits, addenda and attachments hereto
23 (which are hereby incorporated herein by this reference) or other documents
24 expressly incorporated by reference in this instrument. Any references to any
25 covenant, condition, obligation, and/or undertaking "herein," "hereunder," or
26 "pursuant hereto" (or language of like import) means, refer to, and include the
27 covenants, obligations, and undertakings existing pursuant to this instrument
28



1 and any riders, exhibits, addenda, and attachments or other documents affixed
2 to or expressly incorporated by reference in this instrument.

3 e. As used in this Agreement, and as the context may require, the singular includes
4 the plural and vice versa, and the masculine gender includes the feminine and
5 vice versa.

6 59. TIME OF ESSENCE. Time is of the essence with respect to the performance of
7 each of the covenants and agreements contained in this Agreement.

8 60. BINDING EFFECT. This Agreement, and the terms, provisions, promises,
9 covenants and conditions hereof, shall be binding upon and shall inure to the benefit of the parties
10 hereto and their respective heirs, legal representatives, successors and assigns.

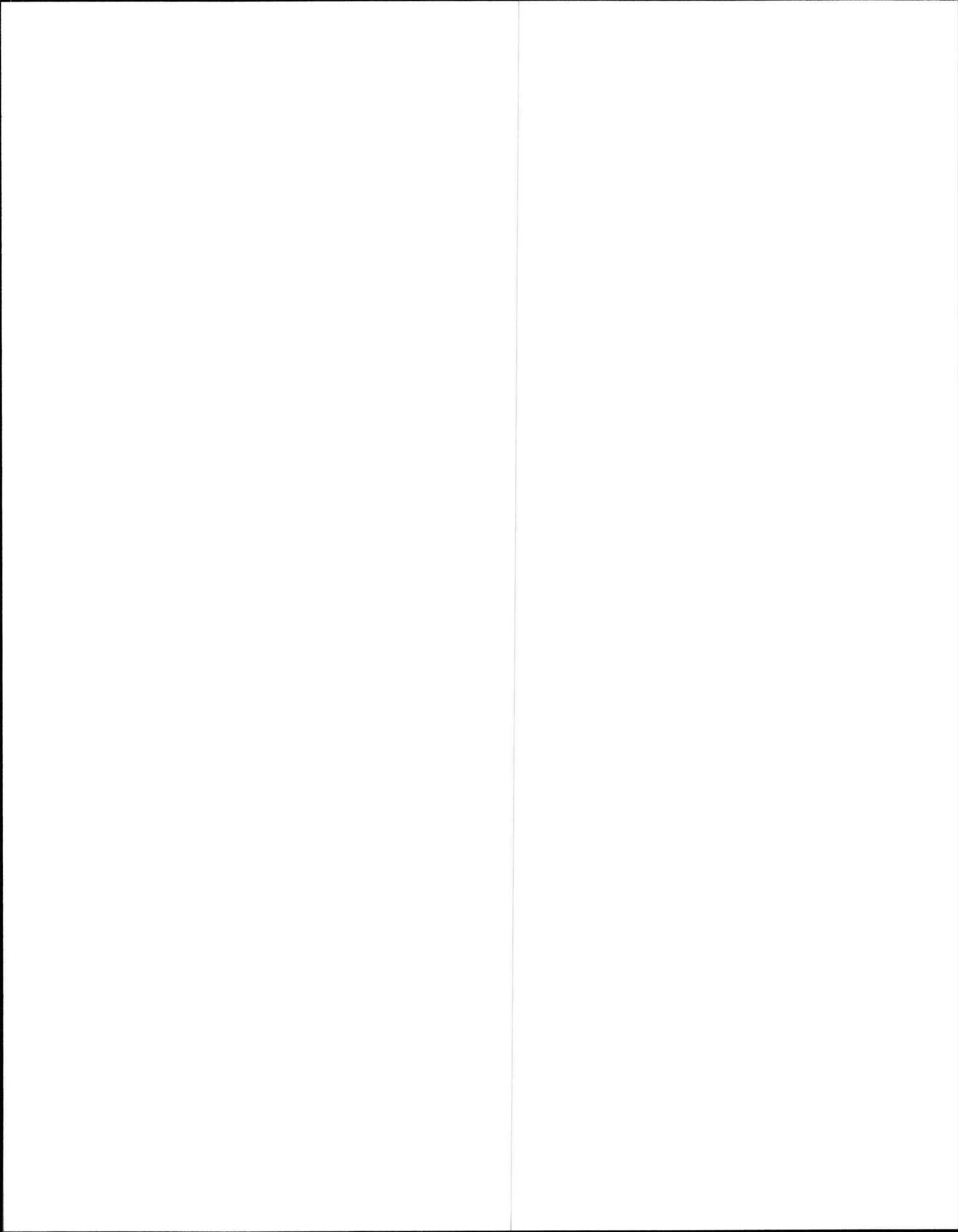
11 61. NO THIRD PARTY BENEFICIARIES. The parties to this Agreement
12 acknowledge and agree that the provisions of this Agreement are for the sole benefit of COUNTY
13 and BORROWER, and not for the benefit, directly or indirectly, of any other person or entity,
14 except as otherwise expressly provided herein.

15 62. ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS.

16 a. This Agreement shall be executed in three duplicate originals each of which is
17 deemed to be an original. This Agreement, including all attachments hereto
18 and exhibits appended to such attachments shall constitute the entire
19 understanding and agreement of the parties.

20 b. This Agreement integrates all of the terms and conditions mentioned herein or
21 incidental hereto and supersedes all negotiations or previous agreements
22 between the parties with respect to all or any part of the Property.

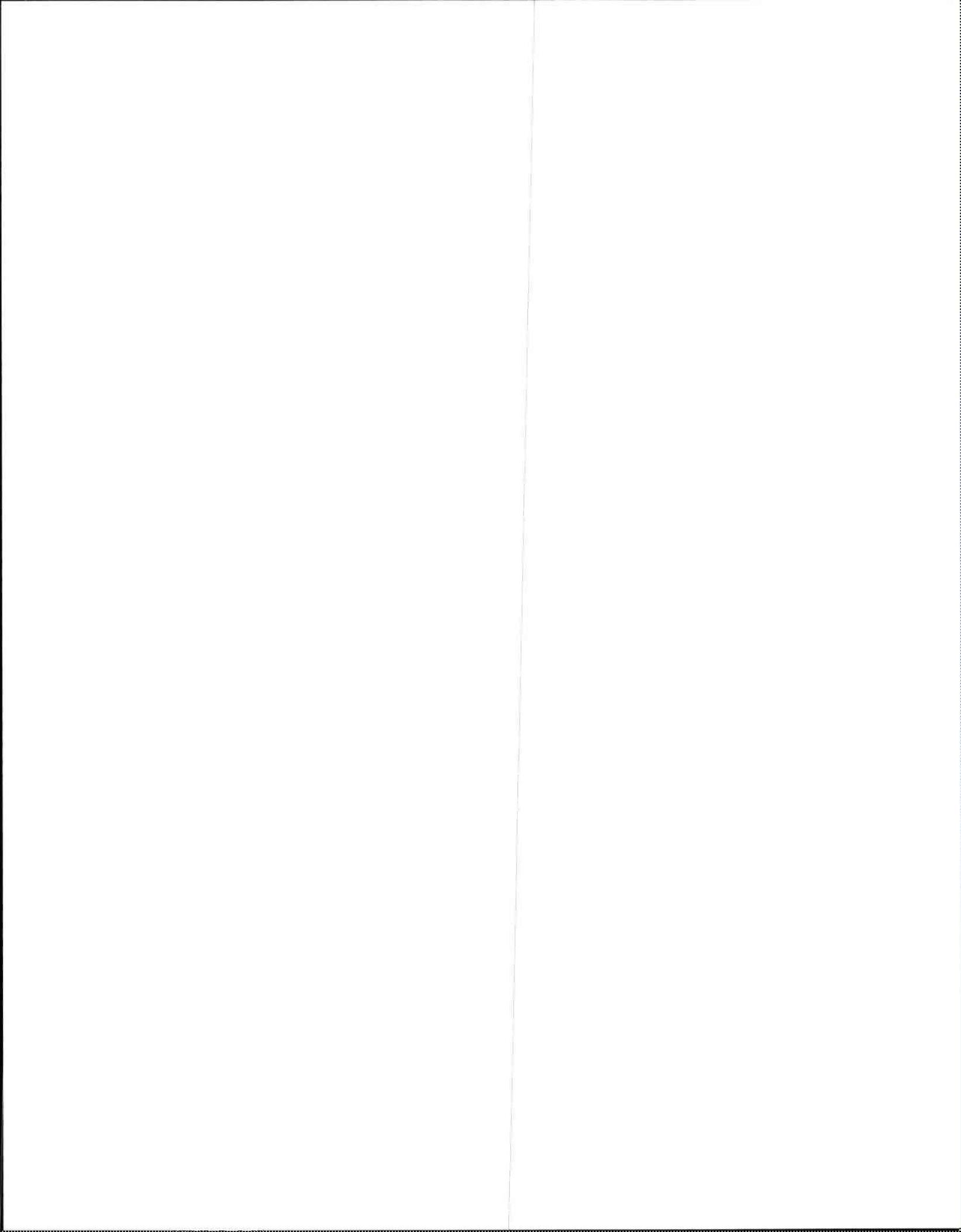
23 c. All waivers of the provisions of this Agreement must be in writing and signed
24 by the appropriate authorities of the COUNTY or the BORROWER, and all
25 amendments hereto must be in writing and signed by the appropriate authorities
26 of the COUNTY and the BORROWER. This Agreement and any provisions
27 hereof may be amended by mutual written agreement by the BORROWER and
28



the COUNTY.

(SIGNATURES ON THE NEXT PAGE)

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IN WITNESS WHEREOF, COUNTY and BORROWER have executed this Agreement as of the dates written below.

COUNTY:

BORROWER:

COUNTY OF RIVERSIDE, a political subdivision of the State of California

Young Scholars for Academic Empowerment, dba TruEvolution Inc., a California nonprofit public benefit corporation

By: form - do not sign
Heidi Marshall, Director HWS

By: form - do not sign
Gabriel Maldonado, Chief Executive Officer


Date: _____

Date: _____

(Above signatures need to be notarized)

APPROVED AS TO FORM:

County Counsel

By: 
Amrit R. Dhillon
Deputy County Counsel

<INSERT CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT>

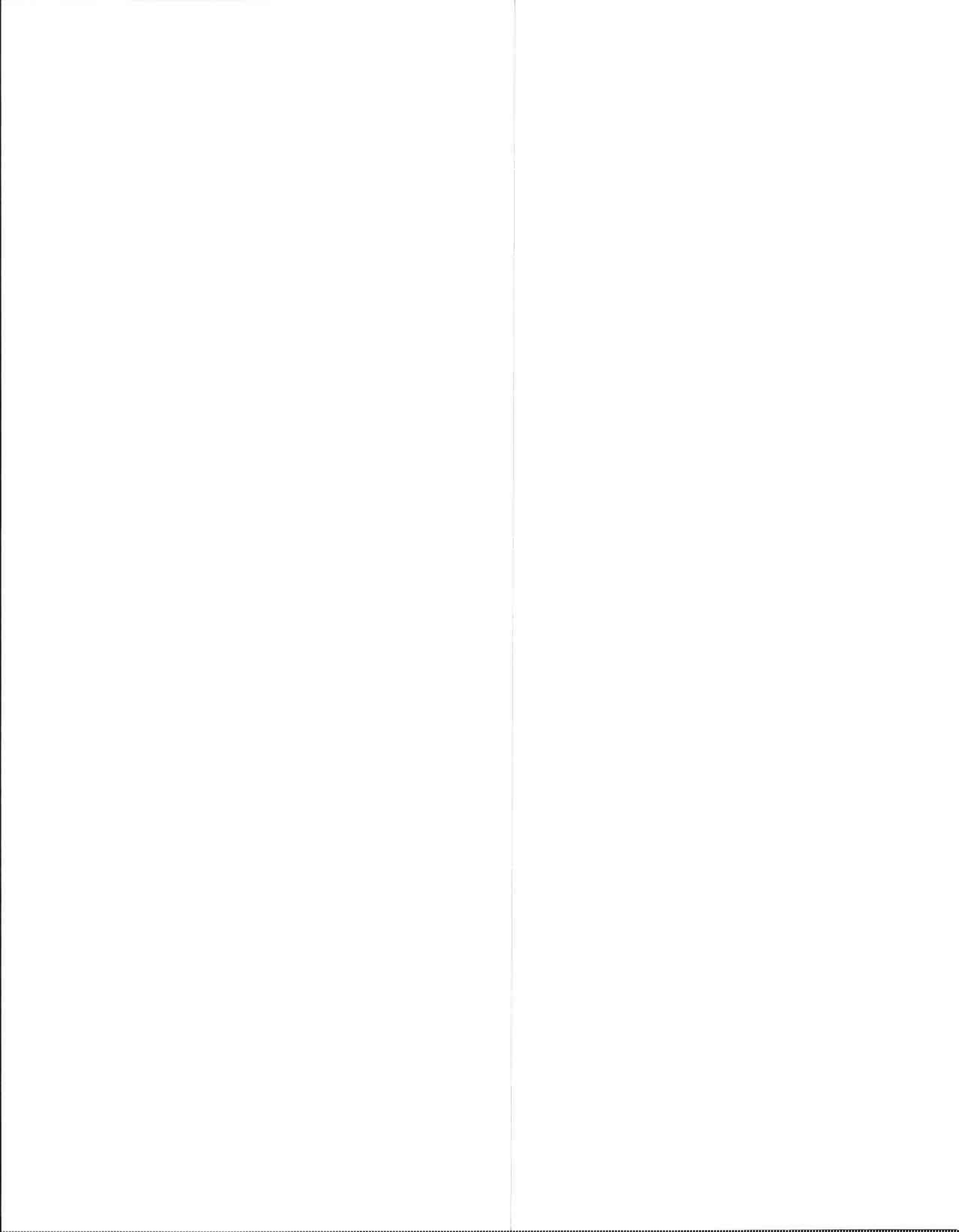


EXHIBIT "A"

Borrower: Young Scholars for Academic Empowerment, dba TruEvolution, Inc.
Address: 4164 Brockton Ave. Suite A, Riverside, CA 92501
Project Title: Project Legacy
Location: 3839, 3853, 3865, 3879 Brockton Ave.; 4145 9th St.; and 4132 University Ave.,
Riverside, CA 92501

Project Description:

BORROWER proposes to utilize \$2,000,000.00 in ARPA funds to rehabilitate the properties located at 3839, 3853, 3865, 3879 Brockton Ave.; 4145 9th St.; and 4132 University Ave., Riverside, CA 92501 ("Property"). BORROWER proposes to rehabilitate the Property, reconfigure the layout of the existing building to provide transitional housing and wrap around services to homeless individuals or individuals at risk of homelessness, including vulnerable populations such as LGBTQ youth, seniors, and individuals living with HIV or AIDS ("Qualified Population(s)").

Tenants will be allowed to live at Project Legacy for up to twenty-four (24) months, with the goal of transitioning tenants to permanent housing after tenants are equipped with the skills needed to become self-sufficient. Once tenants are transitioned to permanent housing, wrap around services will continue to be available should they be needed. One of the properties is a commercial building that will become an on-site community Health and Justice Center, where wraparound services will be provided to tenants living at Project Legacy and resources be made available to the public.

Legal Description of Property:

Real property in the City of Riverside, County of Riverside, State of California, described as follows:

PARCEL 1:

THE REAL PROPERTY IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS BEGINNING AT A POINT ON THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 80 FEET WESTERLY FROM THE NORTHEASTERLY CORNER OF BLOCK 8, RANGE 11, TOWN OF RIVERSIDE, AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY;

THENCE SOUTHERLY PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 98 FEET;

THENCE AT A RIGHT ANGLE WESTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 50 FEET;

THENCE AT A RIGHT ANGLE NORTHERLY, PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 98 FEET TO THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE);

THENCE EASTERLY, ON SAID SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 50 FEET, TO THE POINT OF BEGINNING.

PARCEL 2:

PARCEL A AS SHOWN ON PARCEL MERGER P07-0270, AS EVIDENCED BY DOCUMENT RECORDED DECEMBER 07, 2007 AS INSTRUMENT NO. 2007-0733731, OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEING A PORTION OF BLOCK 8, RANGE 11, OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE;

THENCE SOUTH 29°00'00" WEST ALONG THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) AS SHOWN ON PARCEL MAP 7811 BY MAP RECORDED IN BOOK 25 OF PARCEL MAPS AT PAGE 67, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, A DISTANCE OF 98.00 FEET TO THE MOST EASTERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED BY DEED TO THE CITY OF RIVERSIDE RECORDED JULY 7, 1961 AS INSTRUMENT NO. 58133, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE NORTH 60°55'45" WEST, PARALLEL WITH THE SOUTHERLY LINE OF

UNIVERSITY AVENUE (FORMERLY 8TH STREET) AS SHOWN ON SAID PARCEL MAP 7811, A DISTANCE OF 11.00 FEET TO THE MOST NORTHERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED BY DEED TO THE CITY OF RIVERSIDE RECORDED OCTOBER 29, 1982 AS INSTRUMENT NO. 188647, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE SOUTH 29°00'00" WEST, ALONG THE NORTHWESTERLY LINE OF SAID DEED TO THE CITY OF RIVERSIDE, RECORDED OCTOBER 29, 1982, A DISTANCE OF 50.00 FEET TO THE SOUTHWESTERLY LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO OWEN C, LOCKE ET UX., BY DEED RECORDED FEBRUARY 8, 1958 AS INSTRUMENT NO. 12203, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE NORTH 60°55'45" WEST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 139.00 FEET;

THENCE NORTH 29°00'00" EAST, PARALLEL WITH THE WESTERLY LINE OF BROCKTON STREET (FORMERLY WALNUT STREET), A DISTANCE OF 50.00 FEET;

THENCE SOUTH 60°55'45" EAST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 70.00 FEET;

THENCE NORTH 29°00'00" EAST, PARALLEL WITH THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET), A DISTANCE OF 98.00 FEET;

THENCE SOUTH 60°55'45" EAST, ALONG THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING.

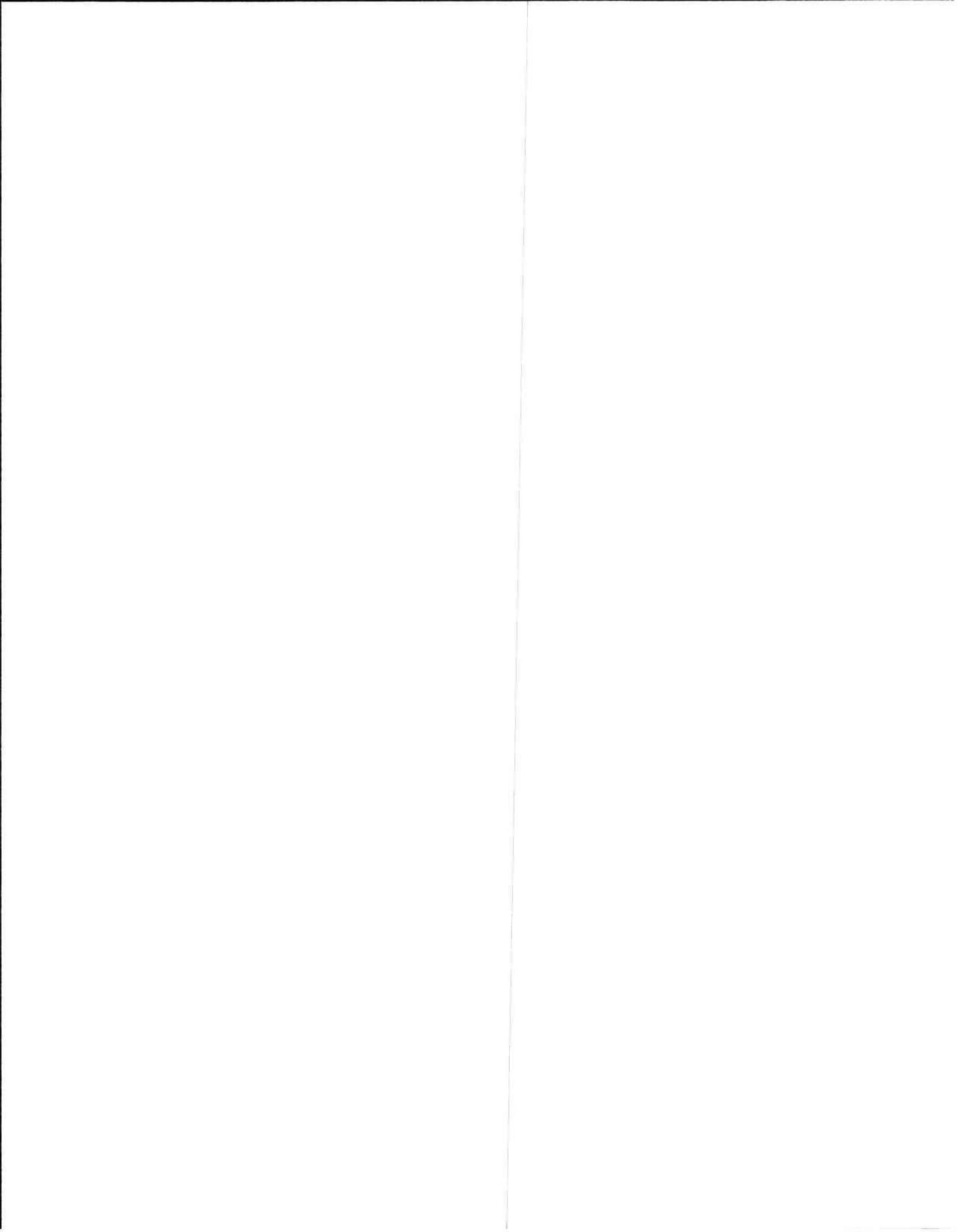
EXCEPTING THEREFROM THAT PORTION OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE, LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT DISTANT NORTH 60°55'45" WEST, A DISTANCE OF 30.02 FEET MEASURED ALONG THE SOUTHERLY LINE OF SAID UNIVERSITY AVENUE (FORMERLY 8TH STREET) FROM THE MOST EASTERLY CORNER OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE;

THENCE SOUTH 19°08'18" EAST, A DISTANCE OF 25.54 FEET TO A LINE PARALLEL WITH AND 44.00 FEET NORTHWESTERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SAID BROCKTON AVENUE (FORMERLY WALNUT STREET);

THENCE SOUTH 29°00'00" WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 130.98 FEET TO THE SOUTHWESTERLY LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO SAID OWEN C. LOCKE ET UX., BEING THE TERMINATION OF SAID LINE DESCRIPTION.

PARCEL 3:



THAT PORTION OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, SAN BERNARDINO COUNTY RECORDS BY METES AND BOUNDS BEGINNING AT A POINT ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET NORTHERLY FROM THE SOUTHEASTERLY CORNER OF BLOCK 8;

THENCE WESTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 165 FEET;

THENCE NORTHERLY, PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 50 FEET;

THENCE EASTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 165 FEET;

THENCE SOUTHERLY ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 50 FEET, TO THE POINT OF BEGINNING.

PARCEL 4:

THAT PORTION OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING ON THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) 94.6 FEET NORTHERLY OF THE SOUTHEAST CORNER OF SAID BLOCK 8, RANGE 11 OF TOWN OF RIVERSIDE;

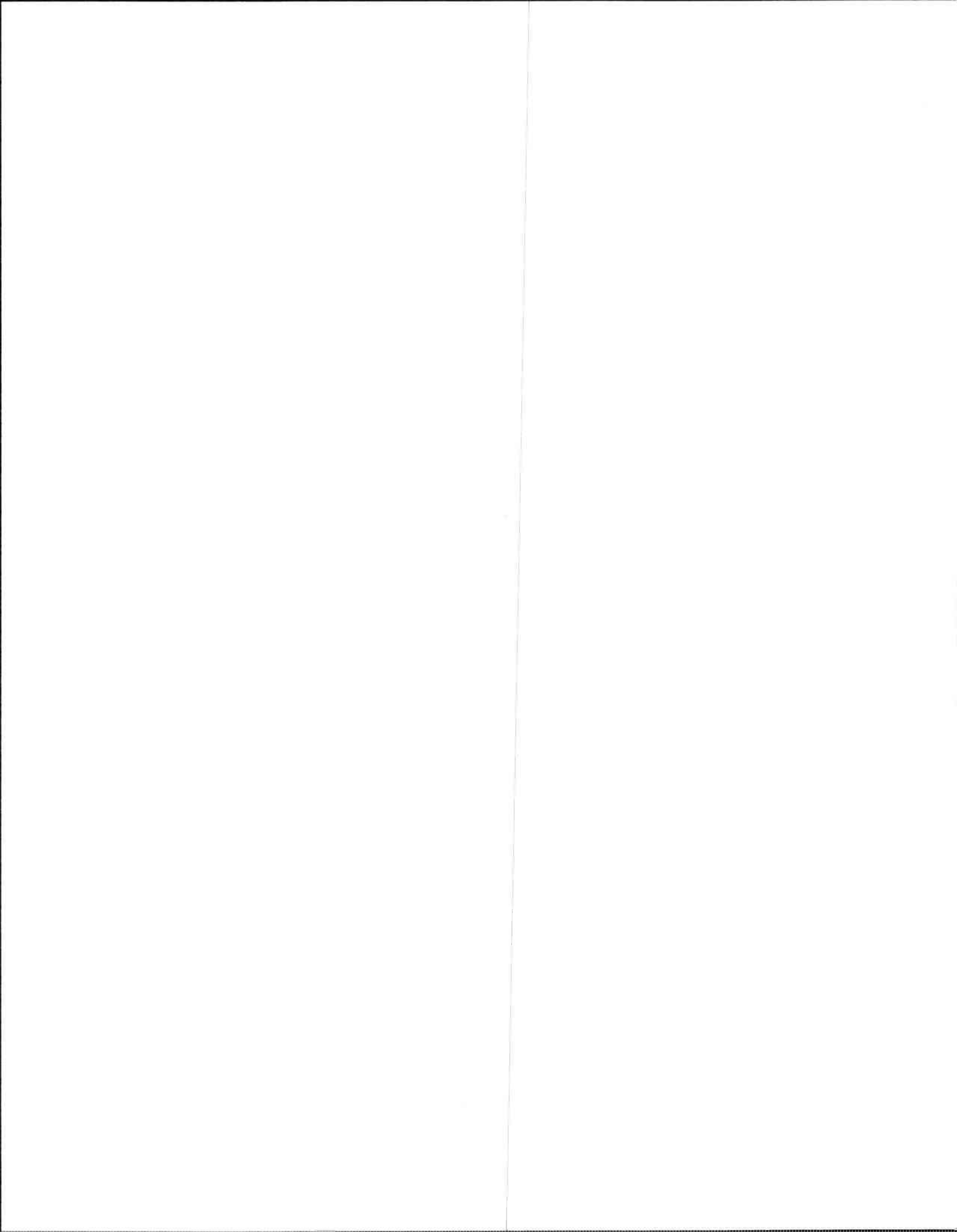
THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE NORTHERLY AT A RIGHT ANGLE AND PARALLEL WITH THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) 37.4 FEET;

THENCE EASTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET; THENCE SOUTHERLY 37.4 FEET TO THE POINT OF BEGINNING.

PARCEL 5:

THAT PORTION OF BLOCK 8 OF RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, SAN BERNARDINO COUNTY RECORDS DESCRIBED AS FOLLOWS:



BEGINNING AT A POINT ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 55 FEET NORTHERLY FROM THE SOUTHEAST CORNER OF SAID BLOCK 8;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE AT A RIGHT ANGLE NORTHERLY PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 39.6 FEET;

THENCE AT A RIGHT ANGLE EASTERLY PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE SOUTHERLY ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 39.6 FEET TO THE POINT OF BEGINNING.

PARCEL 6:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF NINTH STREET, 120 FEET WESTERLY FROM THE SOUTHEASTERLY CORNER OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA;

THENCE AT A RIGHT ANGLE NORTHERLY AND PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 45 FEET;

THENCE AT A RIGHT ANGLE SOUTHERLY AND PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET TO THE NORTHERLY LINE OF NINTH STREET;

THENCE EASTERLY ALONG THE NORTHERLY LINE OF NINTH STREET, 45 FEET TO THE POINT OF BEGINNING.

APNs: 214-292-005

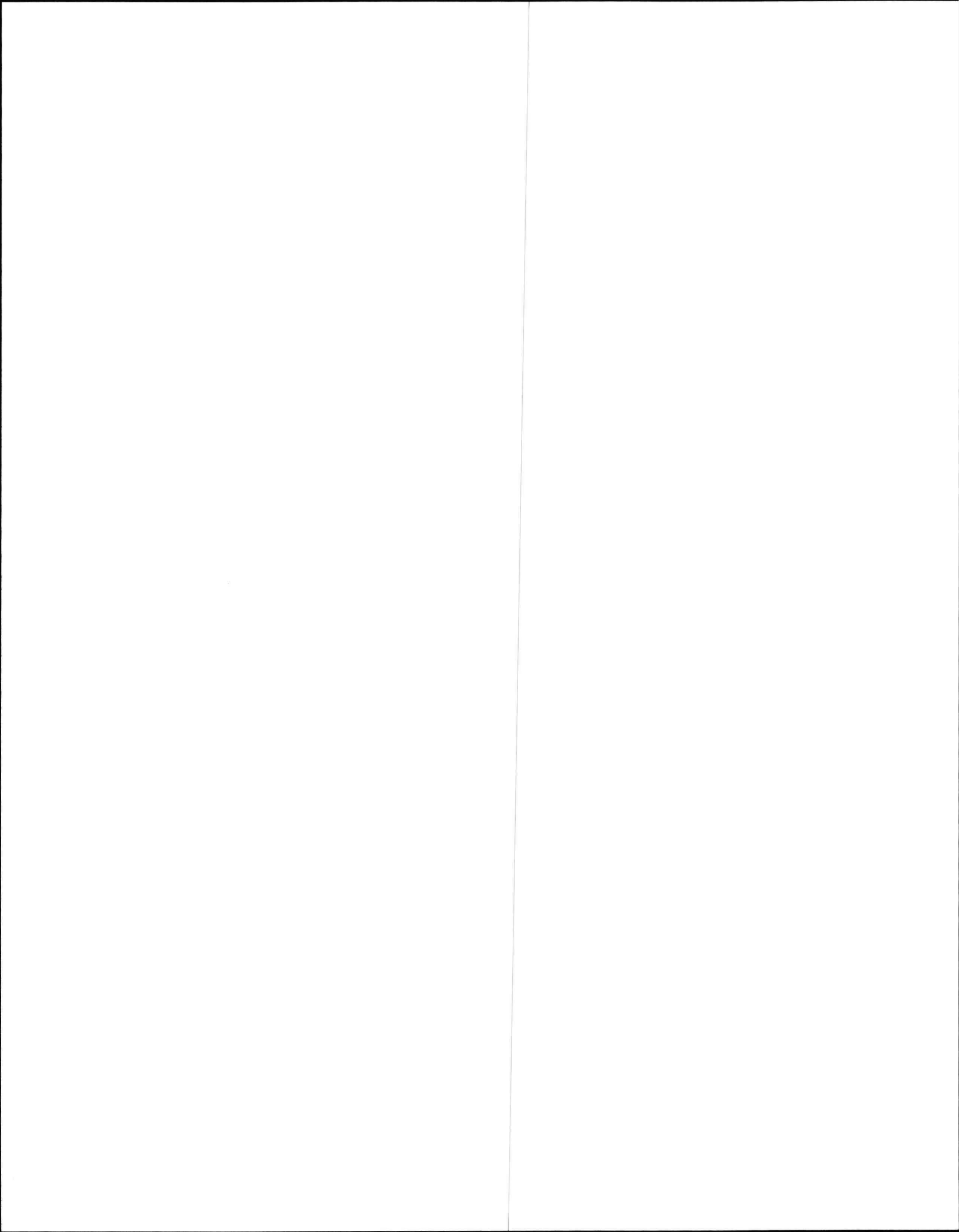
214-292-008

214-292-009

214-292-010

214-292-013

214-292-022



Permanent Funding Sources:

Sources:

Homekey Grant	\$4,052,457
County CARES Loan	\$1,900,000
HOPWA Loan	\$1,000,000
HHAP Loan	\$634,498
State Grant or Loan	\$10,000,000
Deferred Developer Fee	\$778,000
County ARPA Loan	<u>\$ 2,000,000</u>
Total Sources	\$20,364,955

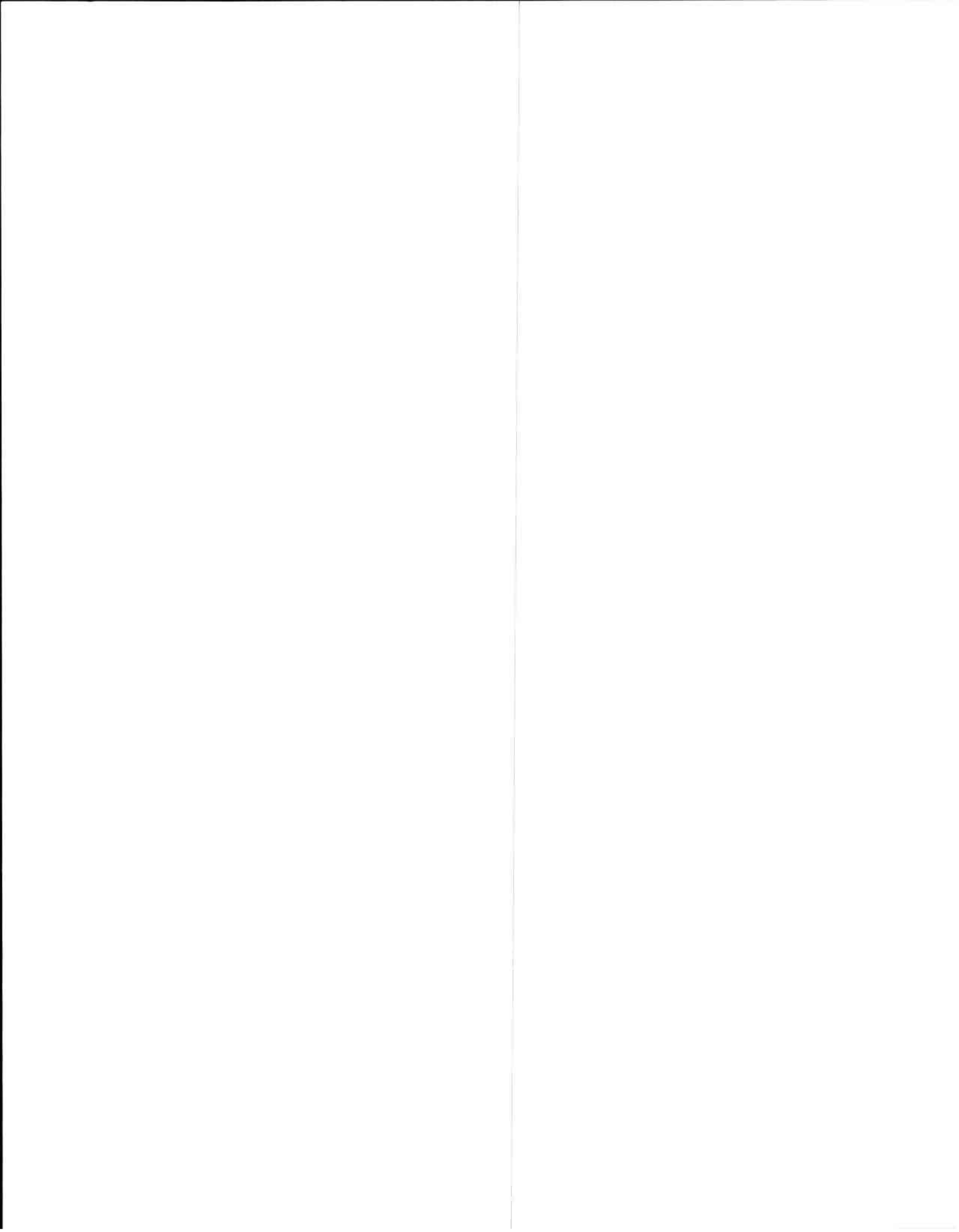


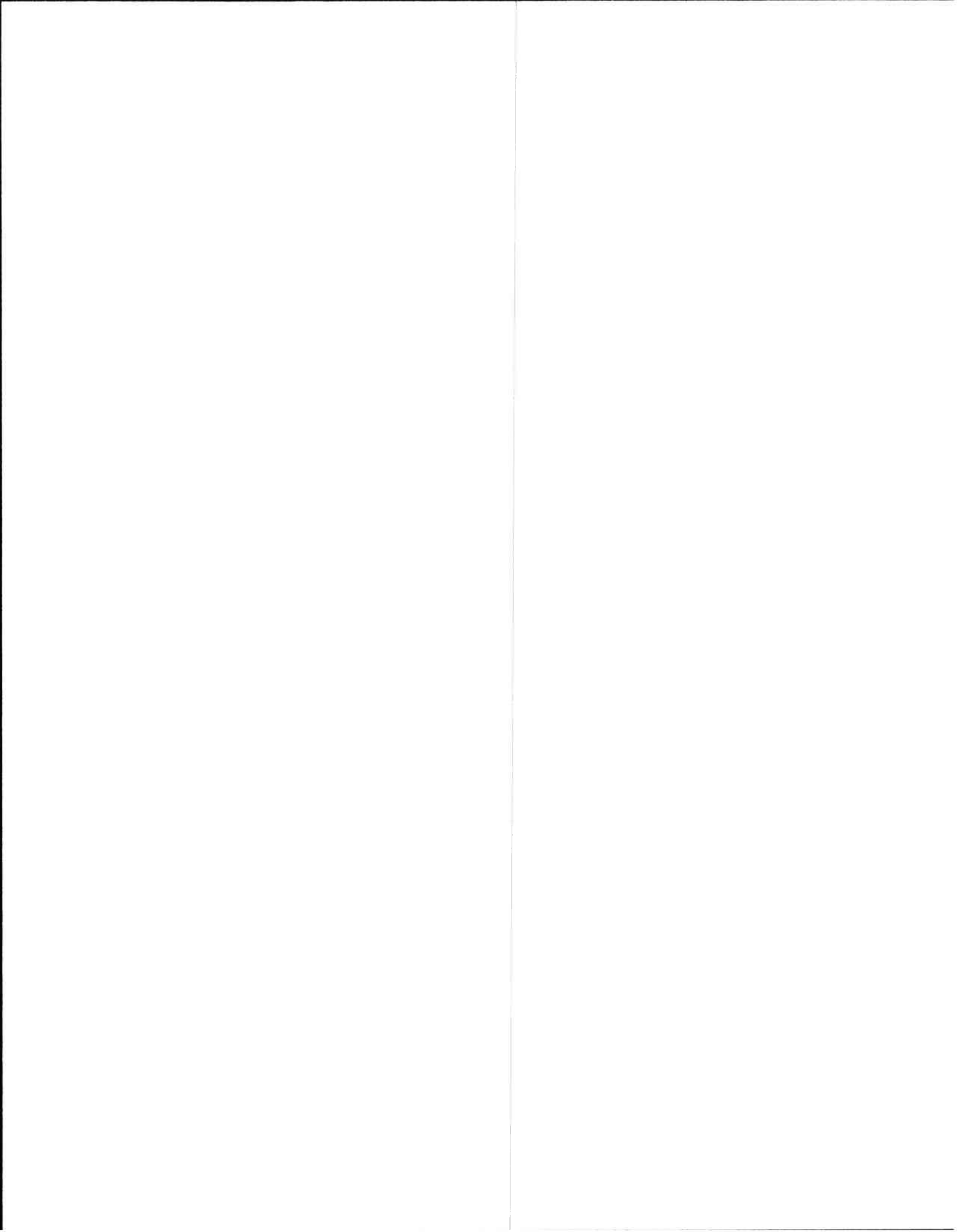
Exhibit A-1

IMPLEMENTATION SCHEDULE

Milestone	Completion Date
1. County Approval	August 2, 2022
2. ARPA Loan Close	August 20, 2022
3. Completion of Rehabilitation of Property	June 30, 2023

EXHIBIT “B”

ARPA Deed of Trust



EXEMPT RECORDING FEE CODE 6103

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

County of Riverside
Housing and Workforce Solutions
3403 10th Street, Suite 300
Riverside, CA 92501
Attn. Juan Garcia

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**DEED OF TRUST, SECURITY
AGREEMENT AND FIXTURE FILING**
(WITH ASSIGNMENT OF RENTS)

This DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING (WITH ASSIGNMENT OF RENTS) is made this _____ day of _____, 2022 by YOUNG SCHOLARS FOR ACADEMIC EMPOWERMENT, dba TRUEEVOLUTION, Inc., a California nonprofit public benefit corporation, (hereinafter referred to as "Trustor"), whose address is 4164 Brocton Avenue, Suite A, Riverside, CA 92501, Attention: Gabriel Maldonado. The trustee is Housing and Workforce Solutions ("Trustee"). The beneficiary is the County of Riverside, a political subdivision of the State of California, (hereinafter called "Beneficiary"), whose address is 3403 10th Street, Suite 300, Riverside, CA 92501.

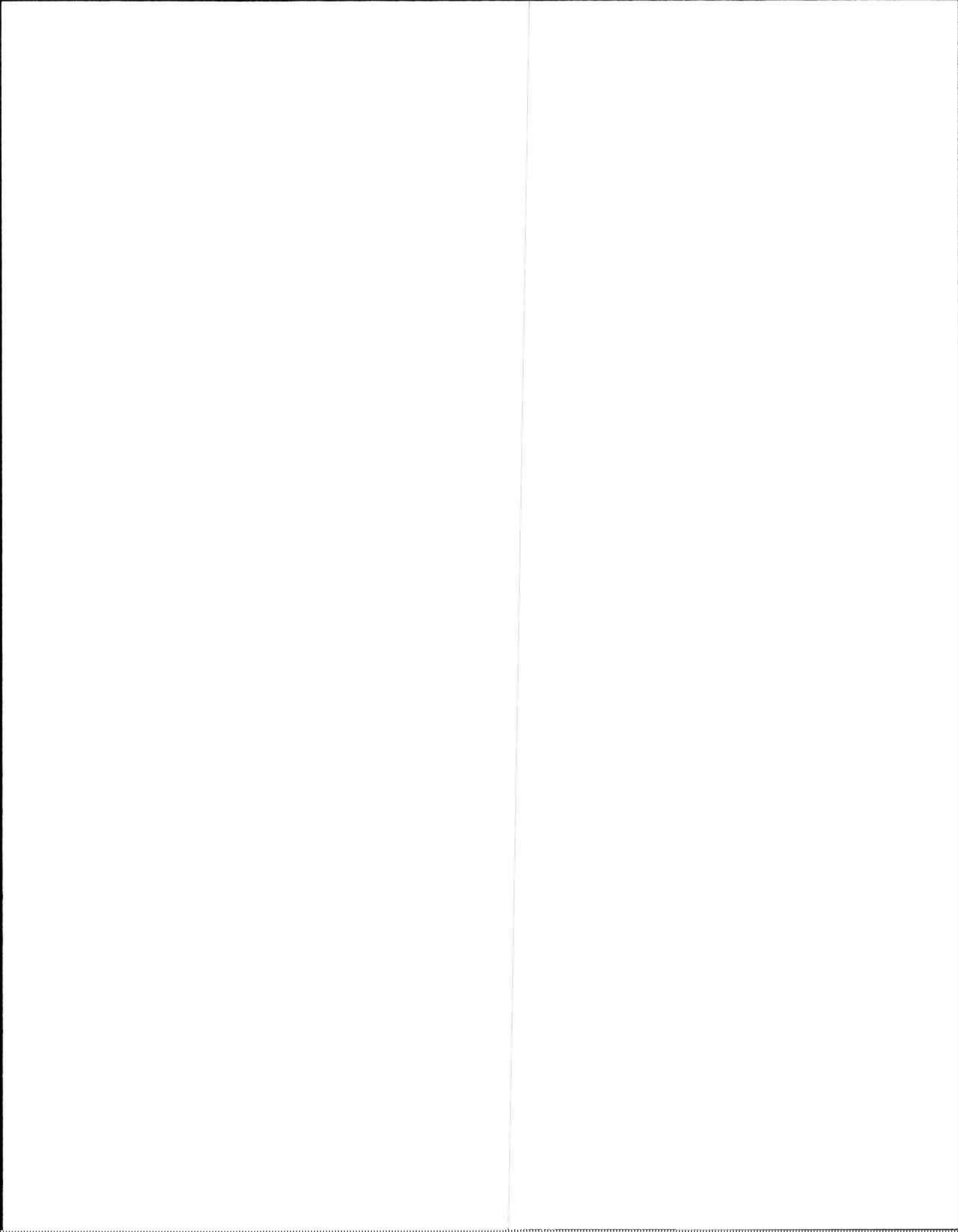
WITNESSETH:

That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to Trustee, its successors and assigns, in Trust, with POWER OF SALE TOGETHER WITH RIGHT OF ENTRY AND POSSESSION the following property (the "Trust Estate"):

(A) That certain fee interest in the real property in the City of Riverside, County of Riverside, State of California more particularly described in **Exhibit A** attached hereto and incorporated herein by this reference (such interest in real property is hereafter referred to as the "Subject Property");

(B) All buildings, structures and other improvements now or in the future located or to be constructed on the Subject Property (the "Improvements");

(C) all tenements, hereditaments, appurtenances, privileges, franchises and other rights and interests now or in the future benefiting or otherwise relating to the Subject Property or the Improvements, including easements, rights-of-way and development rights (the "Appurtenances"). (The Appurtenances, together with the Subject Property and the Improvements, are hereafter referred to as the "Real Property");

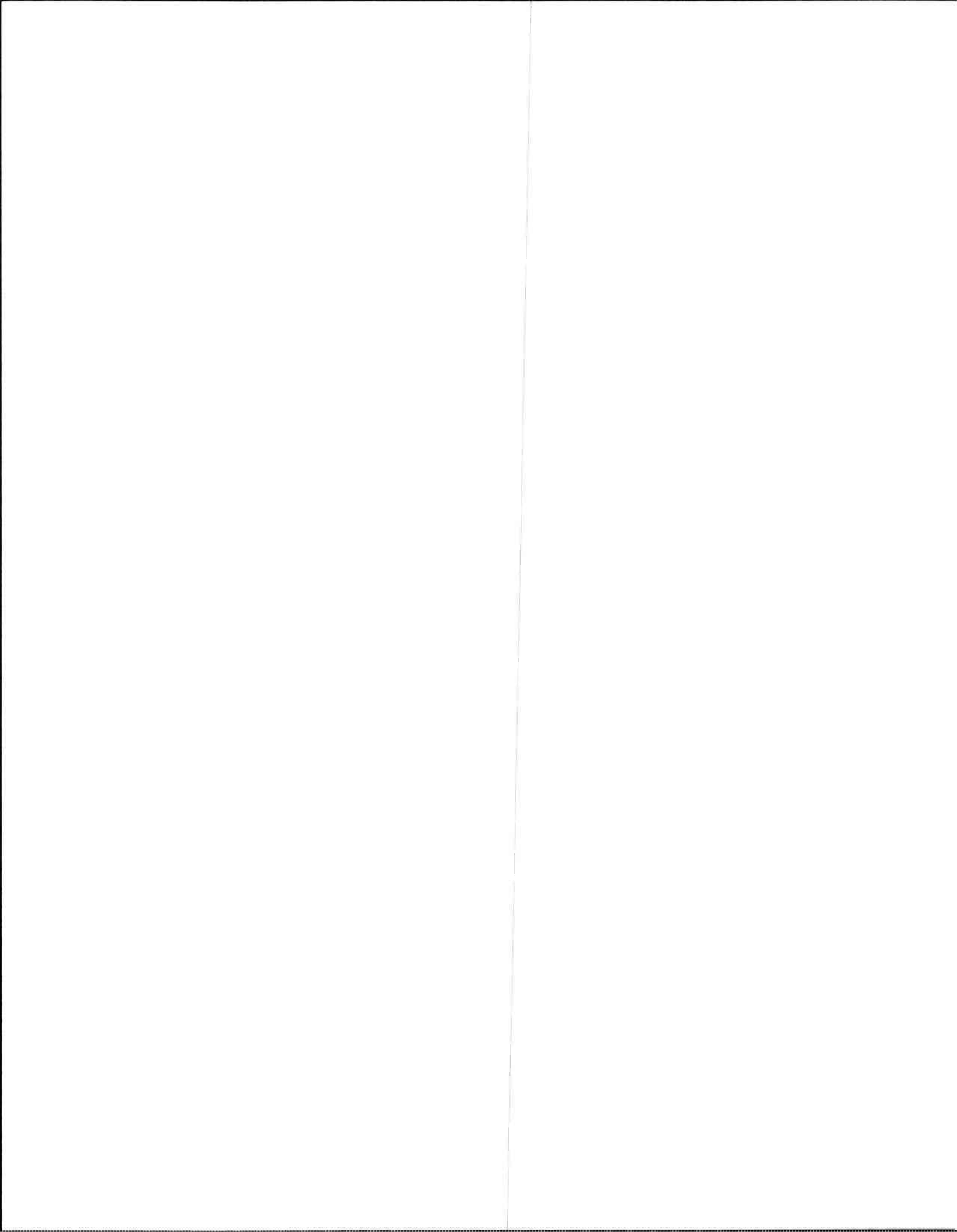


(D) All rents, issues, income, revenues, royalties and profits now or in the future payable with respect to or otherwise derived from the Trust Estate or the Trustor's use, management, operation leasing or occupancy of the Trust Estate, including those past due and unpaid (the "Rents");

(E) all present and future right, title and interest of Trustor in and to all inventory, equipment, fixtures and other goods (as those terms are defined in Division 9 of the California Uniform Commercial Code (the "UCC"), and whether existing now or in the future) now or in the future located at, upon or about, or affixed or attached to or installed in, the Real Property, or used or to be used in connection with or otherwise relating to the Real Property or the ownership, use, development, construction, maintenance, management, operation, marketing, leasing or occupancy of the Real Property, including furniture, furnishings, theater equipment, seating, machinery, appliances, building materials and supplies, generators, boilers, furnaces, water tanks, heating ventilating and air conditioning equipment and all other types of tangible personal property of any kind or nature, and all accessories, additions, attachments, parts, proceeds, products, repairs, replacements and substitutions of or to any of such property, but not including personal property that is donated to Trustor (the "Goods," and together with the Real Property, the "Property"); and

(F) all present and future right, title and interest of Trustor in and to all accounts, general intangibles, chattel paper, deposit accounts, money, instruments and documents (as those terms are defined in the UCC) and all other agreements, obligations, rights and written material (in each case whether existing now or in the future) now or in the future relating to or otherwise arising in connection with or derived from the Property or any other part of the Trust Estate or the Ownership, use, development, construction, maintenance, management, operation, marketing, leasing, occupancy, sale or financing of the property or any other part of the Trust Estate, including (to the extent applicable to the Property or any other portion of the Trust Estate) (i) permits, approvals and other governmental authorizations, (ii) improvement plans and specifications and architectural drawings, (iii) agreements with contractors, subcontractors, suppliers, project managers, supervisors, designers, architects, engineers, sales agents, leasing agents, consultants and property managers, (iv) takeout, refinancing and permanent loan commitments, (v) warranties, guaranties, indemnities and insurance policies, together with insurance payments and unearned insurance premiums, (vi) claims, demands, awards, settlements, and other payments arising or resulting from or otherwise relating to any insurance or any loss or destruction of, injury or damage to, trespass on or taking, condemnation (or conveyance in lieu of condemnation) or public use of any of the Property, (vii) license agreements, service and maintenance agreements, purchase and sale agreements and purchase options, together with advance payments, security deposits and other amounts paid to or deposited with Trustor under any such agreements, (viii) reserves, deposits, bonds, deferred payments, refunds, rebates, discounts, cost savings, escrow proceeds, sale proceeds and other rights to the payment of money, trade names, trademarks, goodwill and all other types of intangible personal property of any kind or nature, and (ix) all supplements, modifications, amendments, renewals, extensions, proceeds, replacements and substitutions of or to any of such property (the "Intangibles").

Trustor further grants to Trustee and Beneficiary, pursuant to the UCC, a security interest in all present and future right, title and interest of Trustor in and to all Goods and Intangibles and all of the Trust Estates described above in which a security interest may be created under the UCC (collectively, the "Personal Property"). This Deed of Trust constitutes a security agreement under



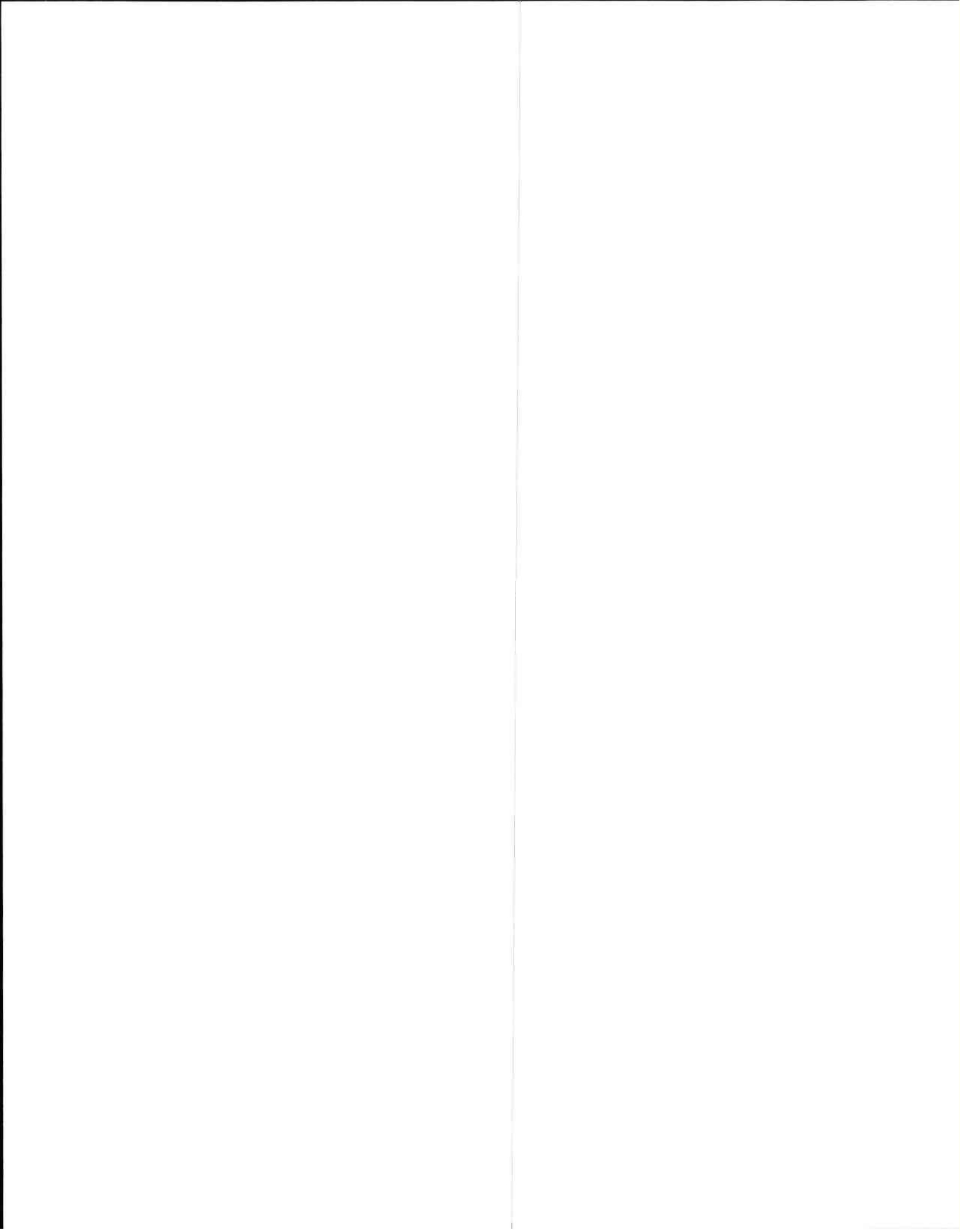
the UCC, conveying a security interest in the Personal Property to Trustee and Beneficiary. Trustee and Beneficiary shall have, in addition to all rights and remedies provided herein, all the rights and remedies of a "secured party" under the UCC and other applicable California law. Trustor covenants and agrees that this Deed of Trust constitutes a fixture filing under Section 9334 and 9502(b) of the UCC.

FOR THE PURPOSE OF SECURING, in such order of priority as Beneficiary may elect, the following:

- i. due, prompt and complete observance, performance and discharge of each and every condition, obligation, covenant and agreement contained herein or contained in the following:
 - (a) that certain Promissory Note in favor of the Beneficiary ("County" therein) executed by Trustor ("Borrower" therein) of even date herewith (the "ARPA Note") in the principal amount of \$5,740,000.00.
 - (b) that certain Loan Agreement for the Use of ARPA Act Funds dated _____, 2022 and recorded in the Official Records of the County of Riverside ("Official Records") concurrently herewith, between Trustor ("Borrower" therein) and Beneficiary ("County" therein) (the "ARPA Loan Agreement"); and
 - (c) that certain Covenant Agreement dated _____, 2022 and recorded concurrently herewith in the Official Records, between Trustor ("Borrower" therein) and Beneficiary ("County" therein) ("Covenant Agreement").
- ii. payment of indebtedness of the Trustor to the Beneficiary not to exceed TWO MILLION DOLLARS (the "ARPA Loan") according to the terms of the ARPA Note.

Said ARPA Note, ARPA Loan Agreement and Covenant Agreement (collectively, referred to as the "Secured Obligations") and all of their terms are incorporated herein by reference and this conveyance shall secure any and all extensions, amendments, modifications or renewals thereof however evidenced, and additional advances evidenced by any note reciting that it is secured hereby. The ARPA Note, ARPA Loan Agreement and Covenant Agreement as used herein shall mean, refer to and include the ARPA Note, ARPA Loan Agreement and Covenant Agreement, as well as any riders, exhibits, addenda, implementation agreements, amendments, or attachments thereto (which are hereby incorporated herein by this reference). Any capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the ARPA Loan Agreement.

The ARPA Loan evidenced by the ARPA Note and secured by this Deed of Trust is being made pursuant to the Coronavirus State and Local Fiscal Recover Funds ("SLFRF" or "ARPA Funds"). Pursuant to the ARPA Loan Agreement, the maturity date of the ARPA Loan shall be the later to occur of (i) July 1, 2077 or (ii) fifty-five (55) years from recordation of the Covenant Agreement in the Official Records for the Project (as defined in the ARPA Loan Agreement) ("ARPA Loan Term").



TRUSTOR COVENANTS that the Trustor is lawfully seized of the estate hereby conveyed and has the right to grant and convey the fee interest of the Property. Trustor warrants and will defend generally the title to the Property against all claims and demands, subject to such encumbrances of record.

AND TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR COVENANTS AND AGREES:

1. That Trustor shall pay the ARPA Note at the time and in the manner provided therein, and perform the obligations of the Trustor as set forth in the ARPA Loan Agreement and Covenant Agreement at the time and in the manner respectively provided therein.

2. That Trustor shall not permit or suffer the use of any of the property for any purpose other than the use set forth in the ARPA Loan Agreement and Covenant Agreement.

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

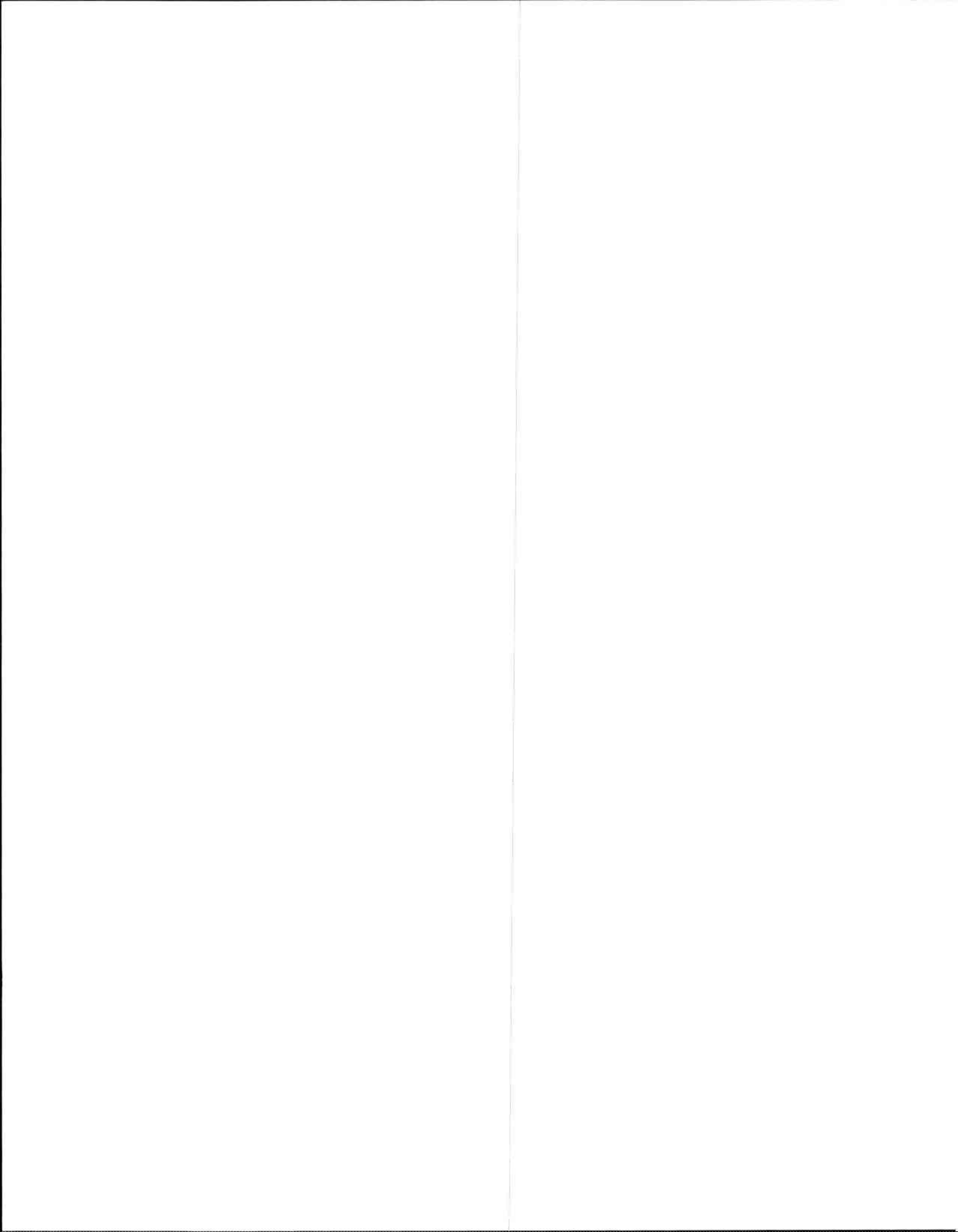
4. That all rents, profits and income from the property covered by this Deed of Trust are hereby assigned to the Beneficiary for the purpose of discharging the debt hereby secured. Permission is hereby given to Trustor so long as no default exists hereunder after the giving of notice and the expiration of any applicable cure period, to collect such rents, profits and income for use in accordance with the provisions of the ARPA Loan Agreement and Covenant Agreement.

4a. That upon default hereunder or under any of the Secured Obligations and after giving notice and opportunity to cure, Beneficiary shall be entitled to the appointment of receiver by any court having jurisdiction, without notice, to take possession and protect the Property described herein and operate same and collect the rents, profits and income therefrom

5. **Payment of Principal and Interest; Prepayment and Late Charges.** Trustor shall promptly pay when due the principal of and interest on the debt evidenced by the ARPA Note and any late charges due under the ARPA Note. Payments on the ARPA Note shall be deferred annually and forgiven at the end of the Term of the Agreement if the BORROWER has complied with the terms of the ARPA Loan

6. **Taxes and Insurance.** Trustor shall pay before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Deed of Trust, directly to the person owed payment. Trustor shall promptly furnish to Beneficiary receipts evidencing the payments.

a. Should Trustor fail to make any payment or to do any act herein provided, then Beneficiary or Trustee, but without obligation so to do and upon written notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in



such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his or her reasonable fees.

7. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Beneficiary under **Section 5** shall be applied: first, to interest due; second, to principal due; and last, to any late charges due under the ARPA Note.

8. **Prior Deeds of Trust; Charge; Liens.** Trustor shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Deed of Trust, and leasehold payments or ground rents, if any, subject to applicable cure periods directly to the person owed payment. Trustor shall pay these obligations in the manner provided in **Section 6**.

a. Except for the liens permitted in writing by the Beneficiary, Trustor shall promptly discharge any other lien which shall have attained priority over this Deed of Trust unless Trustor: (1) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Beneficiary; (2) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Beneficiary's opinion operate to prevent the enforcement of the lien; or (3) bond around the lien (4) secures from the holder of the lien an agreement satisfactory to Beneficiary subordinating the lien to this Deed of Trust. Except for the liens approved herein, if Beneficiary determines that any part of the Property is subject to a lien which may attain priority over this Deed of Trust, Beneficiary may give Trustor a notice identifying the lien. Trustor shall satisfy such lien or take one or more of the actions set forth above within 30 days of the giving of notice.

9. **Priority of ARPA Deed of Trust.** The ARPA Deed of Trust shall be recorded in the Official Records.

10. **Hazard or Property Insurance.** Trustor shall keep the improvements now existing or hereafter erected on the Property insured against loss of fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Beneficiary reasonably requires insurance. This insurance shall be maintained in the amounts and for the periods as required in the ARPA Loan Agreement. The insurance carrier providing the insurance shall be chosen by Trustor subject to Beneficiary's approval which shall not be unreasonably withheld. If Trustor fails to maintain coverage described above, Beneficiary may, at Beneficiary's option, obtain coverage to protect Beneficiary's rights in the Property in accordance with **Section 12**.

a. All insurance policies and renewals shall be reasonably acceptable to Beneficiary and shall include a standard mortgagee clause. All requirements hereof pertaining to insurance shall be deemed satisfied if the Trustor complies with the insurance requirements under this Deed of Trust and the ARPA Loan Agreement. Trustor shall promptly give to Beneficiary certificates of insurance showing the coverage is in full force and effect and that Beneficiary is named as

additional insured. In the event of loss, Trustor shall give prompt notice to the insurance carrier, the Senior Lien Holder, if any, and Beneficiary. Beneficiary may make proof of loss if not made promptly by the Senior Lien Holder, if any, or the Trustor.

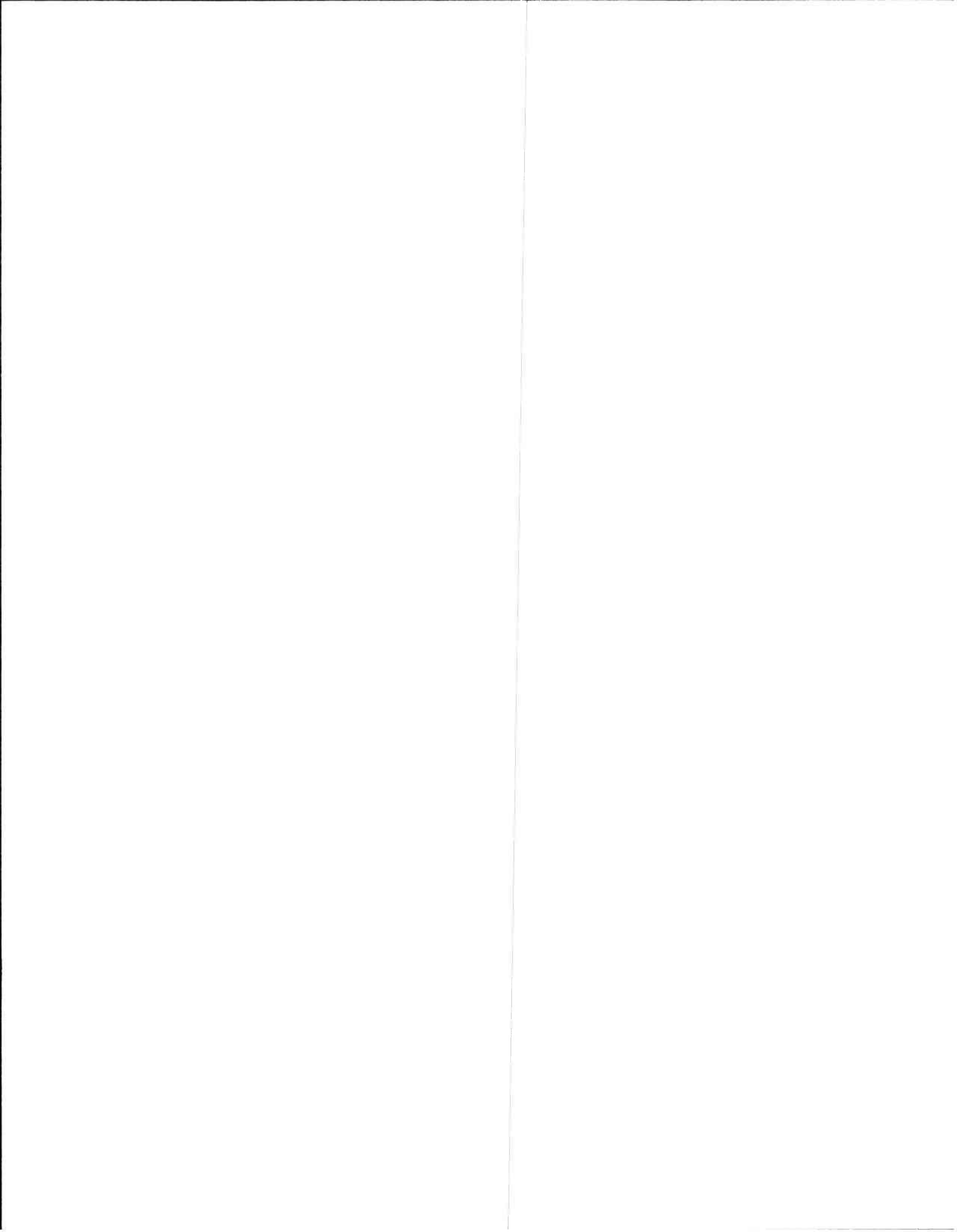
b. Unless Beneficiary and Trustor otherwise agree in writing and subject to the rights of senior lenders, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided Trustor determines that such restoration or repair is economically feasible and there is no default continuing beyond the expiration of all applicable cure periods. If Trustor determines that such restoration or repair is not economically feasible or if a default exists after expiration of all applicable cure periods, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Trustor. If the Property is abandoned by Trustor, or if Trustor fails to respond to Beneficiary within 30 days from the date notice is mailed by Beneficiary to Trustor that the insurance carrier offers to settle a claim for insurance benefits, Beneficiary is authorized to collect and apply the insurance proceeds at Beneficiary's option either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

c. Unless Beneficiary and Trustor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of Note. If under **Section 27** the Property is acquired by Beneficiary, Trustor's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Beneficiary to the extent of the sums secured by this Deed of Trust immediately prior to the acquisition.

d. Notwithstanding the above, the Beneficiary's rights to collect and apply the insurance proceeds hereunder shall be subject and subordinate to the rights of a Senior Lien Holder, if any, to collect and apply such proceeds in accordance with a Senior Lien Holder Deed of Trust.

11. Preservation, Maintenance and Protection of the Property; Trustor's Loan Application; Leaseholds. Trustor shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property; normal wear and tear excepted. Trustor shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Beneficiary's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Deed of Trust or Beneficiary's security interest. Trustor may cure such a default and reinstate, as provided in **Section 23**, by causing the action or proceeding to be dismissed with a ruling that, in Beneficiary's good faith determination, precludes forfeiture of the Trustor's interest in the Property or other material impairment of the lien created by this Deed of Trust or Beneficiary's security interest. Trustor shall also be in default if Trustor, during the loan application process, gave materially false or inaccurate information or statements to Beneficiary (or failed to provide Beneficiary with any material information) in connection with the loan evidenced by the ARPA Note, including, but not limited to representations concerning Trustor's use of Property for transitional housing. If this Deed of Trust is on a leasehold, Trustor shall comply with all provisions of the lease. If Trustor acquires fee title to the Property, the leasehold and the fee title shall not merge unless Beneficiary agrees to the merger in writing.

a. The Trustor acknowledges that this Property is subject to certain use, affordability and occupancy restrictions (which may be further evidenced by a separate agreement recorded in the land records where the Property is located), limiting the Property's use to transitional housing. The use and occupancy restrictions may limit the Trustor's ability to rent the



Property. The violation of any use and occupancy restrictions may, if not prohibited by federal law, entitle the Beneficiary to the remedies provided in **Section 27** hereof.

12. **Protection of Beneficiary's Rights in the Property.** If Trustor fails to perform the covenants and agreements contained in this Deed of Trust, or there is a legal proceeding that may significantly affect Beneficiary's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then, subject to notice to Trustor and any applicable grace periods or cure periods, Beneficiary may do and pay for whatever is necessary to protect the value of the Property and Beneficiary's rights in the Property. Beneficiary's actions may include paying any sums secured by a lien which has priority over this Deed of Trust, appearing in court, paying reasonable attorneys' fees, and entering on the Property to make repairs. Although Beneficiary may take action under this **Section 12**, Beneficiary does not have to do so.

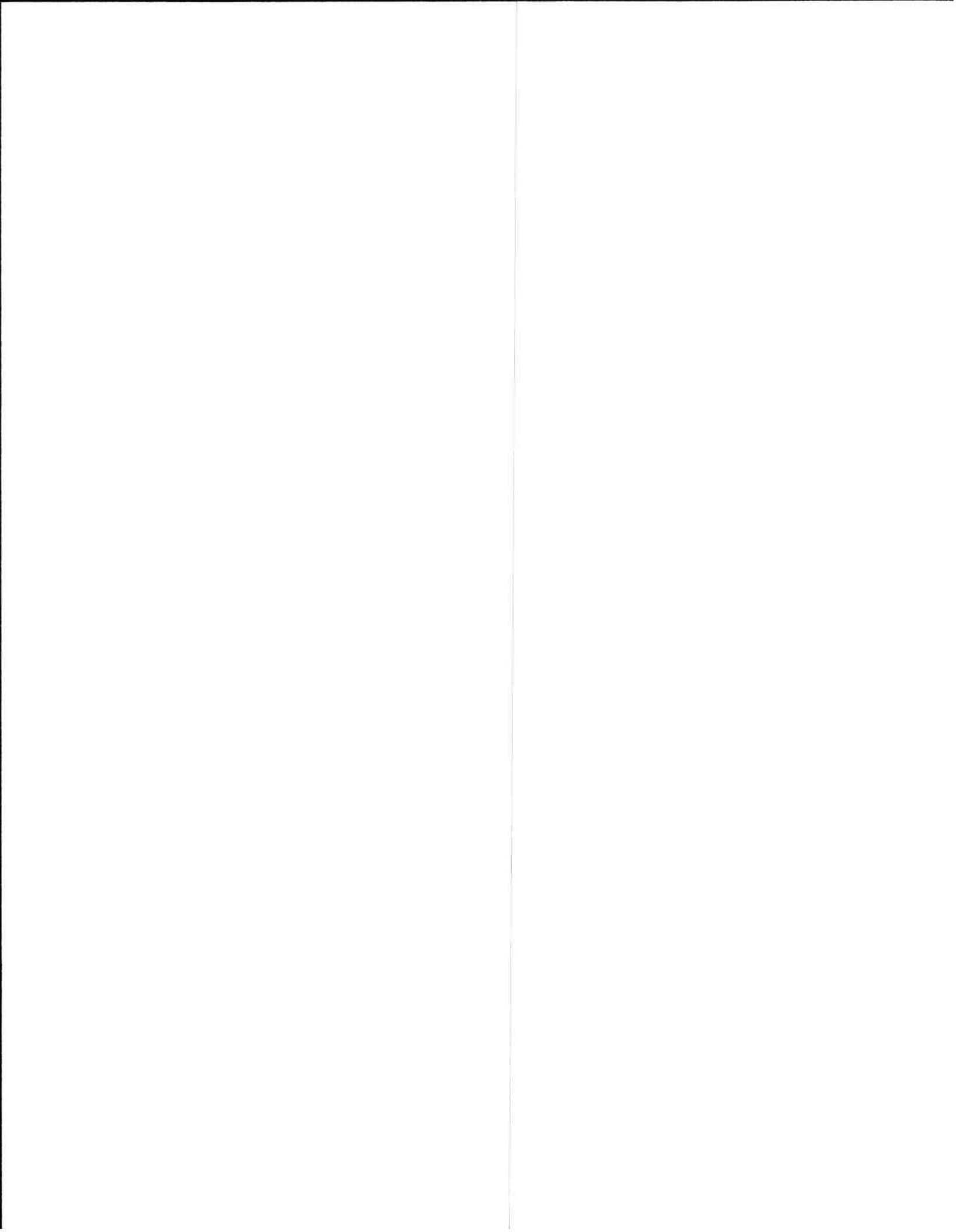
a. Any amounts disbursed by Beneficiary under this **Section 12** shall become additional debt of Trustor secured by this Deed of Trust. Unless Trustor and Beneficiary agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the ARPA Note rate and shall be payable, with interest, upon notice from Beneficiary to Trustor requesting payment.

13. **Reserved.**

14. **Inspection.** Beneficiary or its agent may make reasonable entries upon and inspections of the Property. Beneficiary shall give Trustor at least forty-eight (48) hours advanced notice in connection with an inspection specifying reasonable cause for the inspection.

15. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Beneficiary, subject to the terms of a Senior Lien Holder Deed of Trust, if any.

a. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust, whether or not then due, with any excess paid to Trustor. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Deed of Trust immediately before the taking, unless Trustor and Beneficiary otherwise agree in writing, the sums secured by this Deed of Trust shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Trustor. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Trustor and Beneficiary otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Deed of Trust whether or not the sums are then due. Notwithstanding the foregoing, so long as the value of Beneficiary's lien is not impaired, any condemnation proceeds may be used by Trustor for repair and/or restoration of the project.



b. If the Property is abandoned by Trustor, or if, after notice by Beneficiary to Trustor that the condemner offers to make an award or settle a claim for damages, Trustor fails to respond to Beneficiary within 30 days after the date the notice is given, Beneficiary is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust, whether or not then due.

c. Unless Beneficiary and Trustor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the payments referred to in **Sections 5 and 6** or change the amount of such payments.

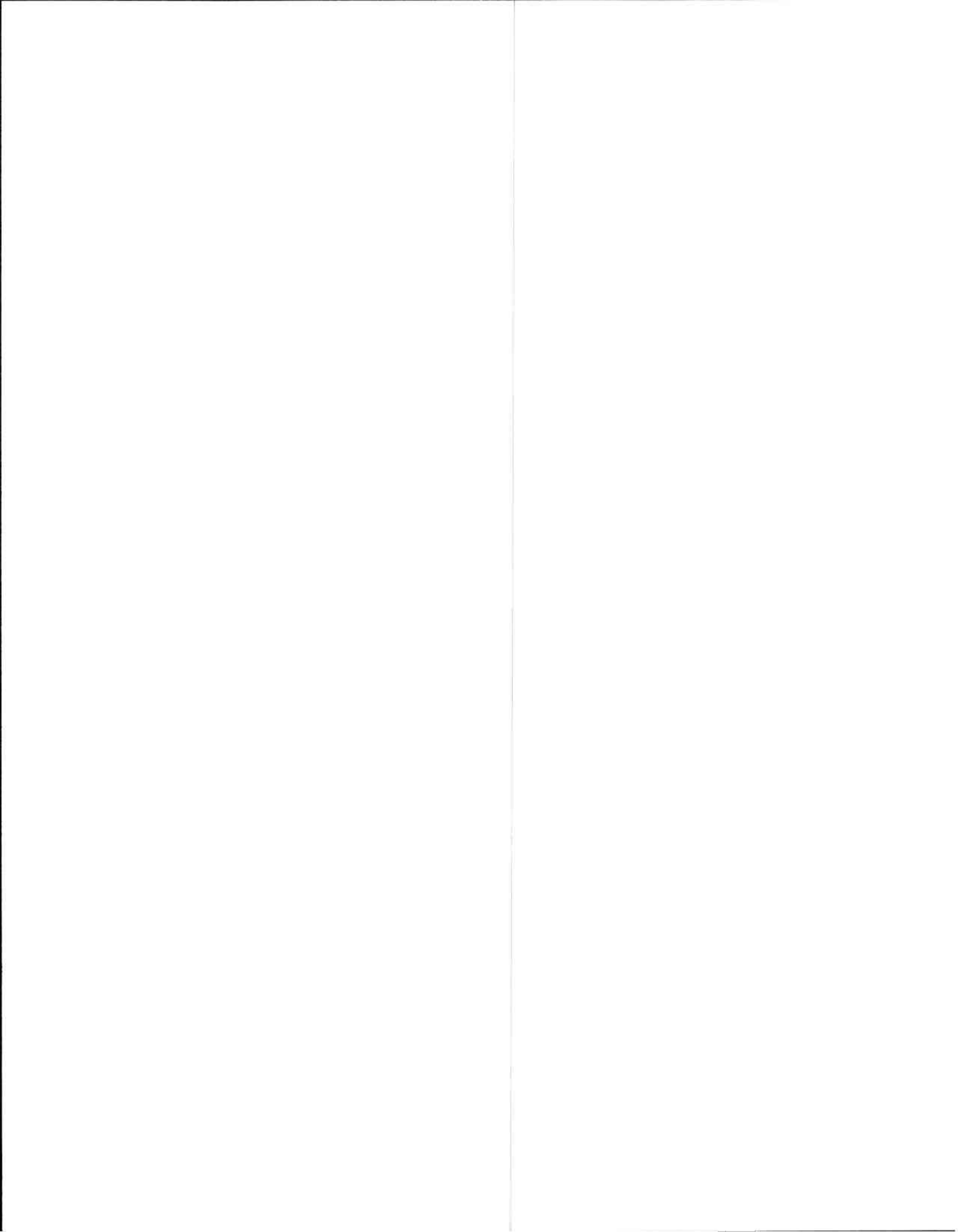
16. **Trustor Not Released; Forbearance By Beneficiary Not a Waiver.** Except in connection with any successor in interest approved by Beneficiary in writing, extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Beneficiary to any successor in interest of Trustor shall not operate to release the liability of the original Trustor or Trustor's successors in interest. Beneficiary shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Trustor or Trustor's successors in interest. Any forbearance by Beneficiary in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

17. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Deed of Trust shall bind and benefit the successors and assigns of Beneficiary and Trustor, subject to the provisions of **Section 22**. Trustor's covenants and agreements shall be joint and several.

18. **Loan Charges.** If the loan secured by this Deed of Trust is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Trustor which exceeded permitted limits will be promptly refunded to Trustor. Beneficiary may choose to make this refund by reducing the principal owed under the ARPA Note or by making a direct payment to Trustor. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

19. **Notices.** Any notice to Trustor provided for in this Deed of Trust shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Trustor's mailing address stated herein or any other address Trustor designates by notice to Beneficiary. Any notice required to be given to a Senior Lien Holder shall be given by first class mail to such other address the Senior Lien Holder designates by notice to the Trustor. Any notice provided for in this Deed of Trust shall be deemed to have been given to Trustor or Beneficiary when given as provided in this Section.

20. **Governing Law; Severability.** This Deed of Trust shall be governed by federal law and the laws of the State of California. In the event that any provision or clause of this Deed of Trust or the ARPA Note conflicts with applicable law, such conflict shall not affect other



provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision. To this end the provisions of this Deed of Trust and the ARPA Note are declared to be severable. Any action at law or in equity arising under this Deed of Trust or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed in the Superior Court of Riverside County, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court or jurisdiction.

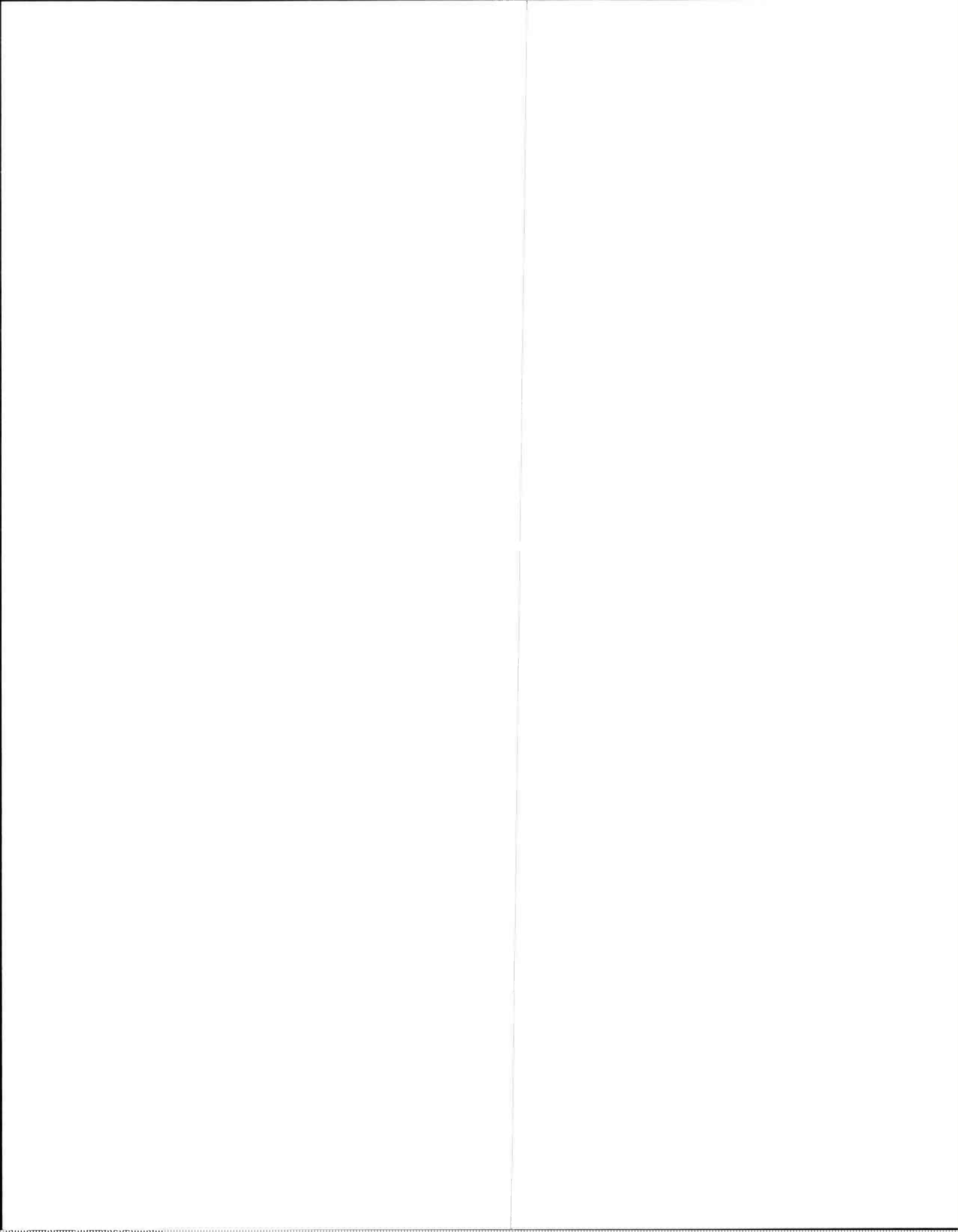
21. **Trustor's Copy.** Trustor shall be given one conformed copy of the ARPA Note and of this Deed of Trust.

22. **Transfer of the Property or a Beneficial Interest in Trustor.** Except as otherwise allowed under the ARPA Loan Agreement, if all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Trustor is sold or transferred and Trustor is not a natural person) without Beneficiary's prior written consent (including a transfer of all or any part of the Property to any person who, at initial occupancy of the Property, does not use the Property for transitional housing) Beneficiary may, at its option, require immediate payment in full of all sums secured by this Deed of Trust. However, this option shall not be exercised by Beneficiary if exercise is prohibited by federal law as of the date of this Deed of Trust. Nothing in this Deed of Trust shall be deemed to require Beneficiary's approval of a conveyance of an easement interest in the Property for utility purposes.

a. If Beneficiary exercises the aforementioned option, Beneficiary shall give Trustor and the Senior Lien Holder, prior written notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Trustor must pay all sums secured by this Deed of Trust. If Trustor fails to pay these sums prior to the expiration of this period, Beneficiary may invoke any remedies permitted by this Deed of Trust without further notice or demand on Trustor.

23. **Trustor's Right to Reinstate.** If Trustor meets certain conditions, Trustor shall have the right to have enforcement of this Deed of Trust discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Deed of Trust; or (b) entry of a judgment enforcing this Deed of Trust. Those conditions are that Trustor: (a) pays Beneficiary all sums which then would be due under this Deed of Trust and the ARPA Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Deed of Trust, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Beneficiary may reasonably require to assure that the lien of this Deed of Trust, Beneficiary's rights in the Property and Trustor's obligation to pay the sums secured by this Deed of Trust shall continue unchanged. Upon reinstatement by Trustor, this Deed of Trust and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under **Section 22**.

24. **Sale of Note; Change of Loan Servicer.** The ARPA Note or a partial interest in the ARPA Note (together with this Deed of Trust) may be sold one or more times without prior notice to Trustor. A sale may result in a change in the entity (known as the "Loan Servicer") that



collects monthly payments due under the Note and this Deed of Trust. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Trustor will be given written notice of the change in accordance with **Section 19** above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

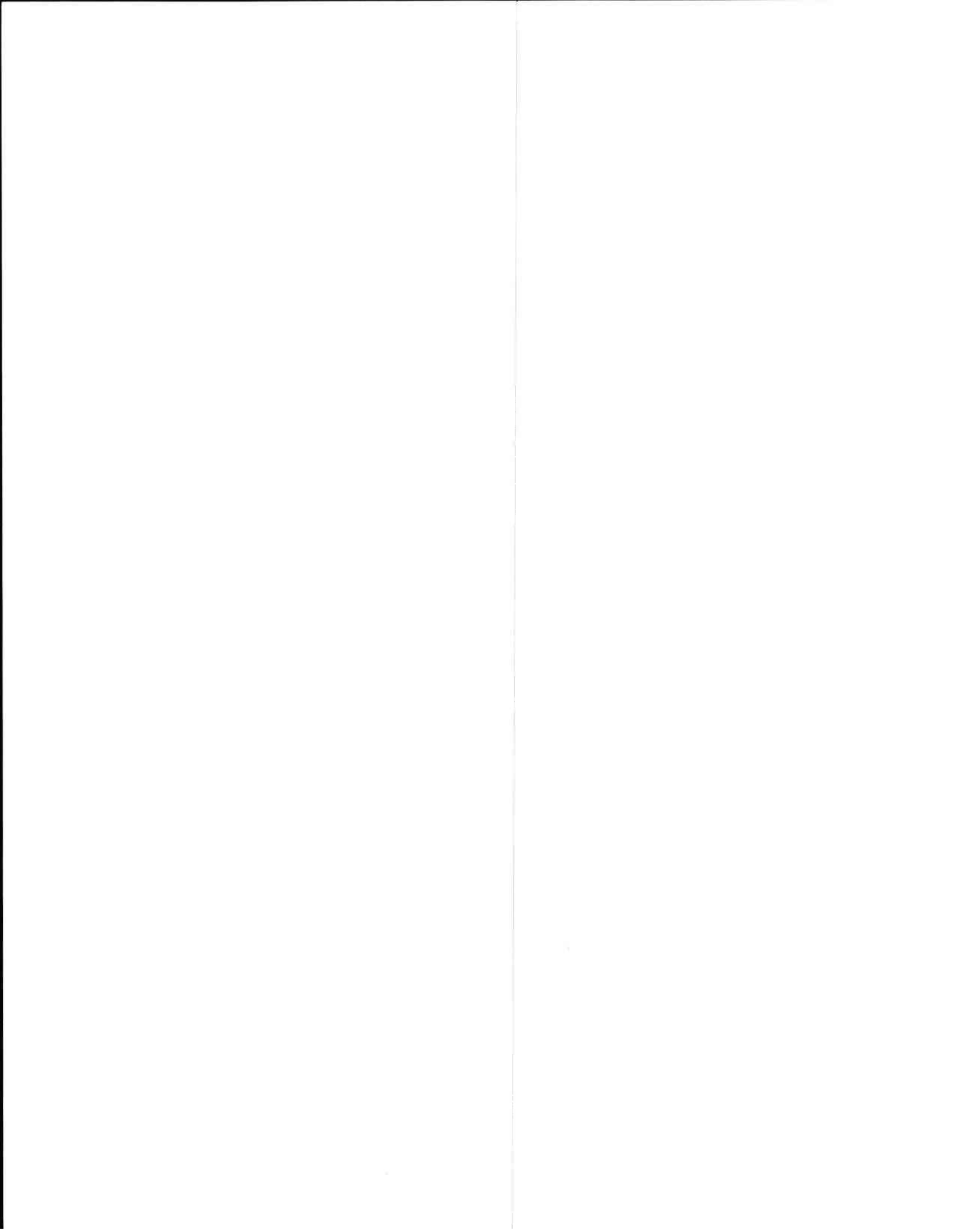
25. **No Assignment.** The ARPA Note and this Deed of Trust shall not be assigned by Trustor without the Beneficiary's prior written consent and the consent of the Senior Lender.

26. **Hazardous Substances.** Trustor shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Trustor shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses, construction, and to maintenance of the Property.

a. Trustor shall promptly give Beneficiary written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Trustor has actual knowledge. If Trustor learns, or is notified in writing by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Trustor shall promptly take all necessary remedial actions in accordance with Environmental Law.

b. As used in this **Section 26**, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials, excluding household products in normal quantities. As used in this **Section 26**, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

27. **Acceleration; Remedies.** Beneficiary shall give notice to Trustor prior to acceleration following Trustor's breach of any covenant or agreement in this Deed of Trust. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, which shall not be more than ten (10) calendar days from the date of the mailing of the notice for a monetary default, or a date, which shall not be more than thirty (30) calendar days from the mailing of the notice for a non-monetary default, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. The notice shall further inform Trustor of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Trustor to acceleration and sale. If the default is not cured by the Trustor on or before the date specified in the notice, and the Senior Lien Holder or the investor limited partner have not cured the default within that same period, subject to any non-recourse provisions set forth in Section 8 of the Note, then Beneficiary at its option may require immediate payment in full of all sums secured by this Deed of Trust without further



demand and may invoke the power of sale and any other remedies permitted by applicable law. Beneficiary shall be entitled to collect all expenses incurred in pursuing the remedies provided in this **Section 27**, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

a. If Beneficiary invokes the power of sale, Beneficiary or Trustee shall mail copies of a notice of sale in the manner prescribed by applicable law to Trustor, the Senior Lien Holder and to the other persons prescribed by applicable law. Trustee shall give notice of sale by public advertisement for the time and in the manner prescribed by applicable law. Trustee, without demand on Trustor, shall sell the Property at public auction to the highest bidder for cash at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property to any later time on the same date by public announcement at the time and place of any previously scheduled sale. Beneficiary or its designee may purchase the Property at any sale.

b. Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Deed of Trust; and (c) any excess to the person or persons legally entitled to it.

28. **Release.** Upon payment of all sums secured by this Deed of Trust, or upon forgiveness of all sums at the end of the ARPA Loan Term as provided herein, Beneficiary shall release this Deed of Trust without charge to Trustor. Trustor shall pay any recordation costs. The lien of the Covenant Agreement shall not be released or reconveyed until the expiration of the term set forth therein notwithstanding the payment of all sums secured by this Deed of Trust.

29. **Substitute Trustee.** Beneficiary, at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder by an instrument recorded in the county in which this Deed of Trust is recorded. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

30. **Modifications of Senior Loan Documents.** Any agreement or arrangement, in which a Senior Lender waives, postpones, extends, reduces, or modifies any provisions of the Senior Lien Holder Deed of Trust or any other Senior Lenders loan documents, including any provisions requiring the payment of money, shall require the prior written approval of Beneficiary.

31. **Prohibition Against Tenancy under Foreclosure.** Notwithstanding anything to the contrary set forth in this Deed of Trust or in any documents secured by this Deed of Trust or contained in any subordination agreement, the Beneficiary acknowledges and agrees that, in no event will any action be taken which violates Section 42(h)(6)(E)(ii) of the U.S. Internal Revenue Code of 1986, as amended, regarding prohibitions against evicting, terminating tenancy or increasing rent of tenants for a period of three (3) years after acquisition of a building by foreclosure or deed-in-lieu of foreclosure.

32. **Reserved.**

33. **Removal, Demolition or Alteration of Personal Property and Fixtures.** Except to the extent permitted by the following sentence, no personal property or fixtures shall be removed, demolished or materially altered without the prior written consent of the Beneficiary. Trustor may remove and dispose of, free from the lien of this Deed of Trust, such personal property and fixtures as from time to time become worn out or obsolete, providing that, (a) the same is done in the ordinary course of business, and (2) either (i) at the time of, or prior to, such removal, any such personal property or fixtures are replaced with other personal property or fixtures which are free from liens other than encumbrances permitted hereunder and which have a value at least equal to that of the replaced personal property and fixtures (and by such removal replacement Trustor shall be deemed to have subjected such replacement personal property and fixtures to the lien of this Deed of Trust), or (ii) such personal property and fixtures may not require replacement if functionally, economically or operationally obsolete and so long as the fair market value of and operational efficiency of the Project is not reduced or adversely effected thereby.

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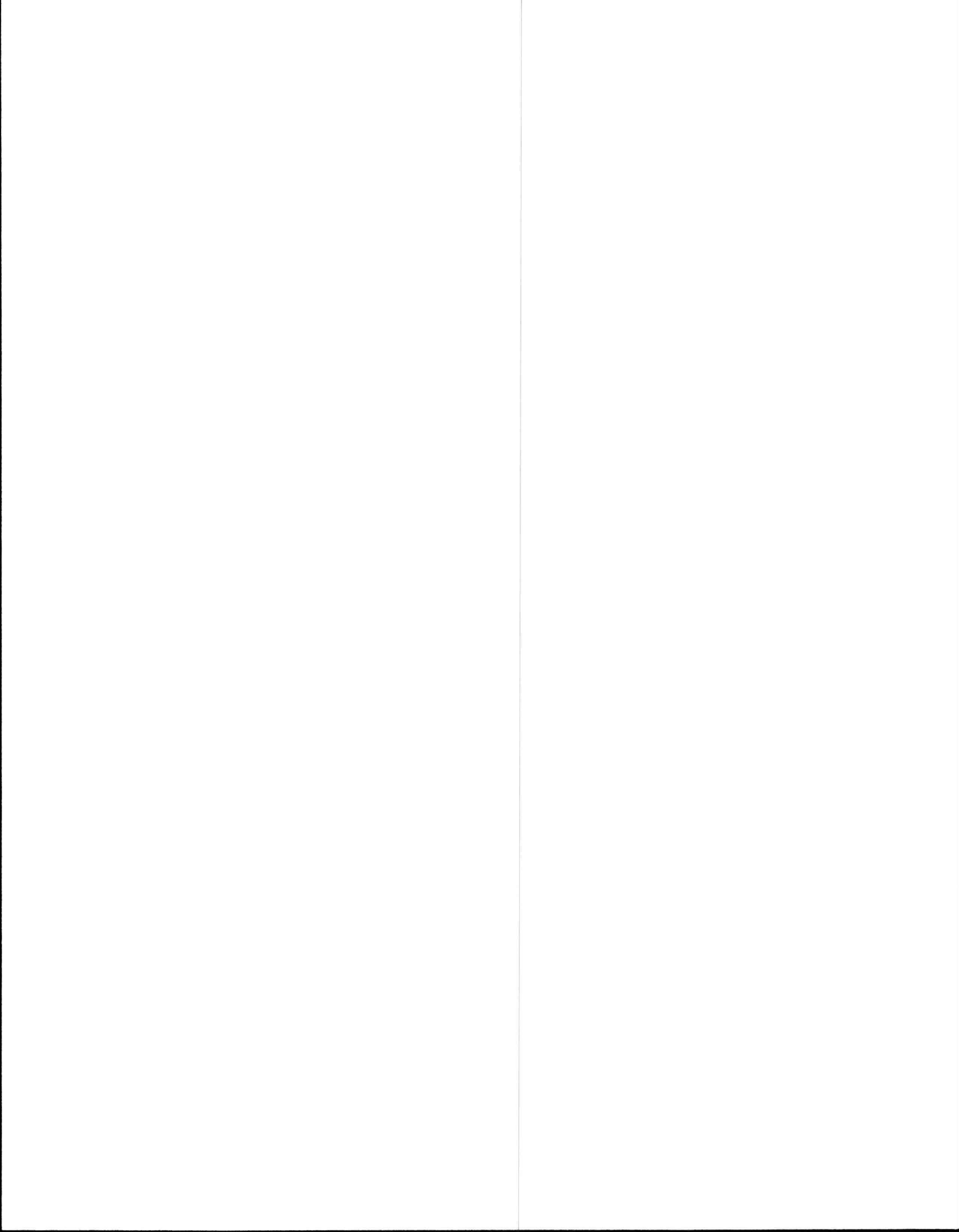
[Signatures on Following Page] BY SIGNING BELOW, TRUSTOR accepts and agrees to the terms and covenants contained in this Deed of Trust.

TRUSTOR:

Young Scholars for Academic Empowerment, dba
TruEvolution Inc., a California nonprofit public benefit
corporation,

By: form - do not sign
Gabriel Maldonado, Chief Executive Officer

(Signature needs to be notarized)



< CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT >

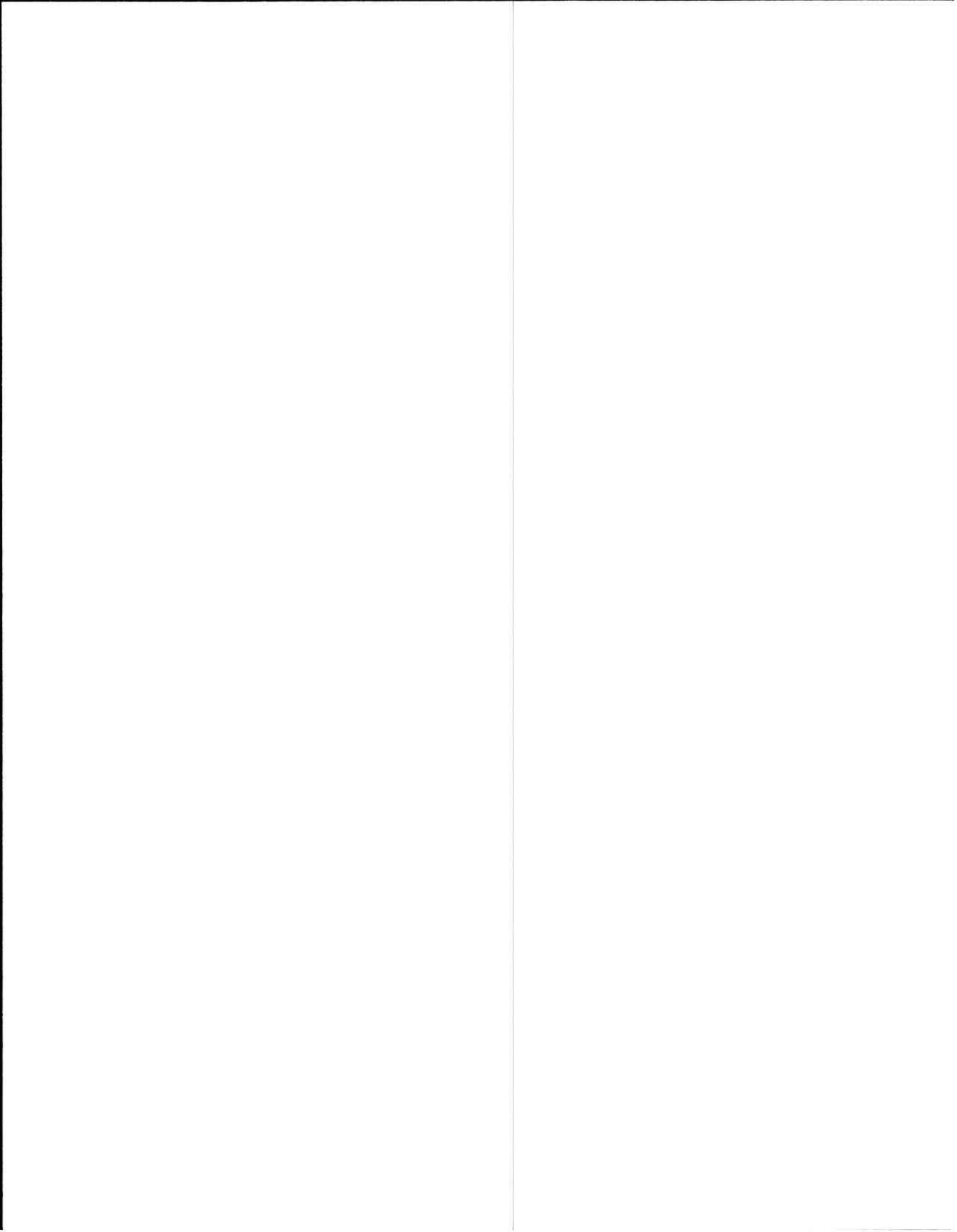


EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

Real property in the City of Riverside, County of Riverside, State of California, described as follows:

PARCEL 1:

THE REAL PROPERTY IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS BEGINNING AT A POINT ON THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 80 FEET WESTERLY FROM THE NORTHEASTERLY CORNER OF BLOCK 8, RANGE 11, TOWN OF RIVERSIDE, AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY;

THENCE SOUTHERLY PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 98 FEET;

THENCE AT A RIGHT ANGLE WESTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 50 FEET;

THENCE AT A RIGHT ANGLE NORTHERLY, PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 98 FEET TO THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE);

THENCE EASTERLY, ON SAID SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 50 FEET, TO THE POINT OF BEGINNING.

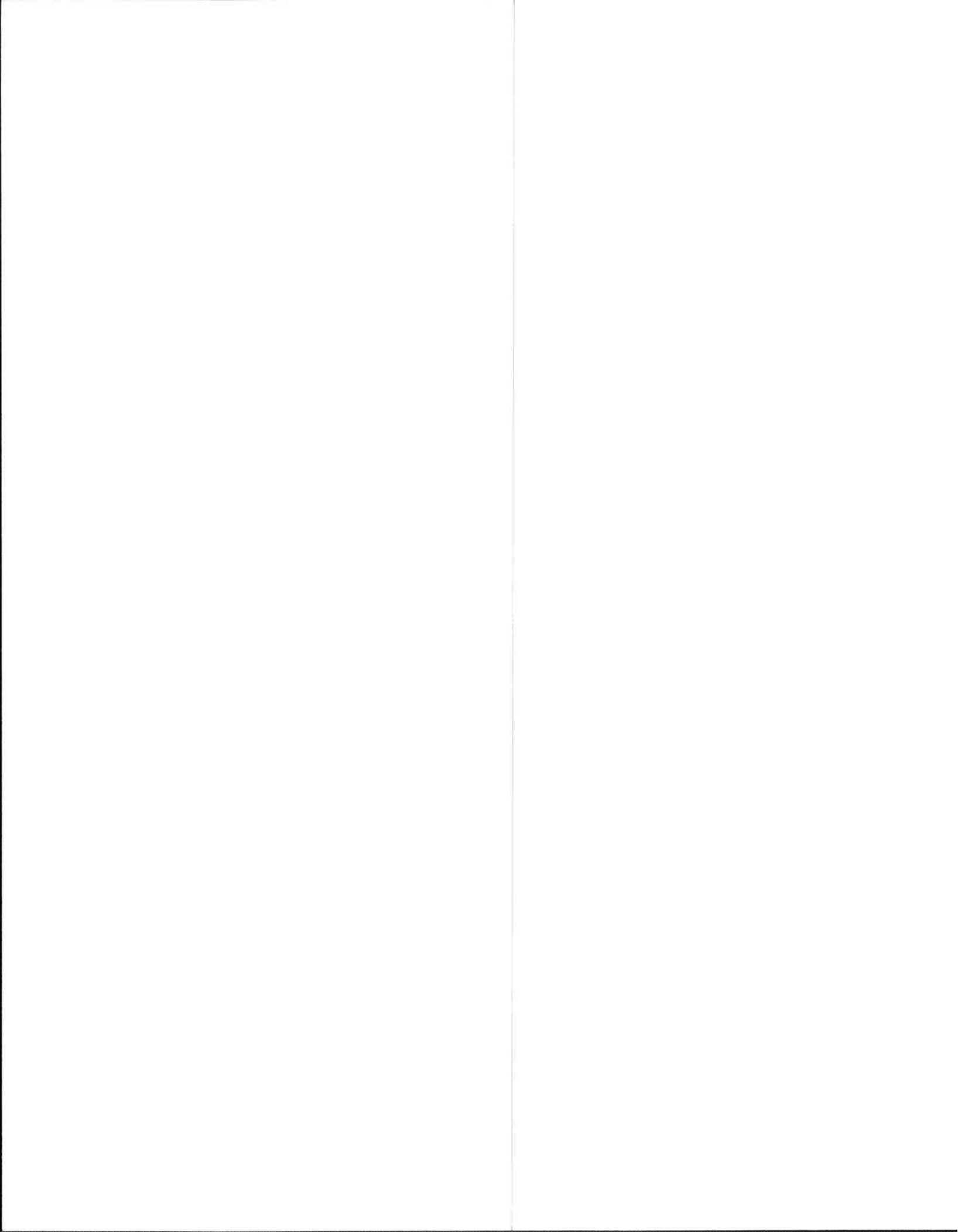
PARCEL 2:

PARCEL A AS SHOWN ON PARCEL MERGER P07-0270, AS EVIDENCED BY DOCUMENT RECORDED DECEMBER 07, 2007 AS INSTRUMENT NO. 2007-0733731, OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEING A PORTION OF BLOCK 8, RANGE 11, OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE;

THENCE SOUTH 29°00'00" WEST ALONG THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) AS SHOWN ON PARCEL MAP 7811 BY MAP RECORDED IN BOOK 25 OF PARCEL MAPS AT PAGE 67, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, A DISTANCE OF 98.00 FEET TO THE MOST EASTERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED BY DEED



TO THE CITY OF RIVERSIDE RECORDED JULY 7, 1961 AS INSTRUMENT NO. 58133, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE NORTH 60°55'45" WEST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET) AS SHOWN ON SAID PARCEL MAP 7811, A DISTANCE OF 11.00 FEET TO THE MOST NORTHERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED BY DEED TO THE CITY OF RIVERSIDE RECORDED OCTOBER 29, 1982 AS INSTRUMENT NO. 188647, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE SOUTH 29°00'00" WEST, ALONG THE NORTHWESTERLY LINE OF SAID DEED TO THE CITY OF RIVERSIDE, RECORDED OCTOBER 29, 1982, A DISTANCE OF 50.00 FEET TO THE SOUTHWESTERLY LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO OWEN C. LOCKE ET UX., BY DEED RECORDED FEBRUARY 8, 1958 AS INSTRUMENT NO. 12203, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE NORTH 60°55'45" WEST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 139.00 FEET;

THENCE NORTH 29°00'00" EAST, PARALLEL WITH THE WESTERLY LINE OF BROCKTON STREET (FORMERLY WALNUT STREET), A DISTANCE OF 50.00 FEET;

THENCE SOUTH 60°55'45" EAST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 70.00 FEET;

THENCE NORTH 29°00'00" EAST, PARALLEL WITH THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET), A DISTANCE OF 98.00 FEET;

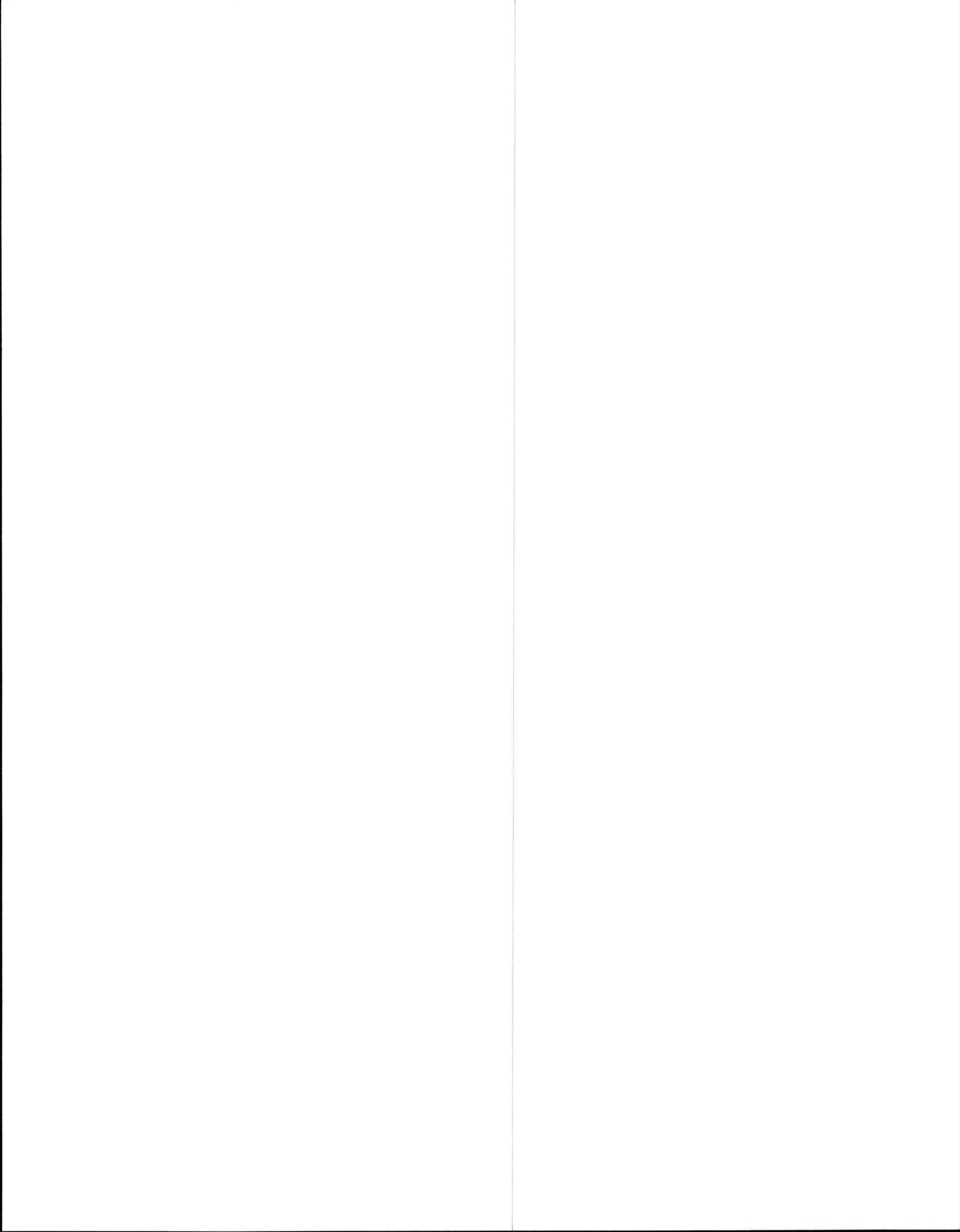
THENCE SOUTH 60°55'45" EAST, ALONG THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE, LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT DISTANT NORTH 60°55'45" WEST, A DISTANCE OF 30.02 FEET MEASURED ALONG THE SOUTHERLY LINE OF SAID UNIVERSITY AVENUE (FORMERLY 8TH STREET) FROM THE MOST EASTERLY CORNER OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE;

THENCE SOUTH 19°08'18" EAST, A DISTANCE OF 25.54 FEET TO A LINE PARALLEL WITH AND 44.00 FEET NORTHWESTERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SAID BROCKTON AVENUE (FORMERLY WALNUT STREET);

THENCE SOUTH 29°00'00" WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 130.98 FEET TO THE SOUTHWESTERLY LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO SAID OWEN C. LOCKE ET UX., BEING THE TERMINATION OF SAID LINE DESCRIPTION.



PARCEL 3:

THAT PORTION OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, SAN BERNARDINO COUNTY RECORDS BY METES AND BOUNDS BEGINNING AT A POINT ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET NORTHERLY FROM THE SOUTHEASTERLY CORNER OF BLOCK 8;

THENCE WESTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 165 FEET;

THENCE NORTHERLY, PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 50 FEET;

THENCE EASTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 165 FEET;

THENCE SOUTHERLY ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 50 FEET, TO THE POINT OF BEGINNING.

PARCEL 4:

THAT PORTION OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING ON THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) 94.6 FEET NORTHERLY OF THE SOUTHEAST CORNER OF SAID BLOCK 8, RANGE 11 OF TOWN OF RIVERSIDE;

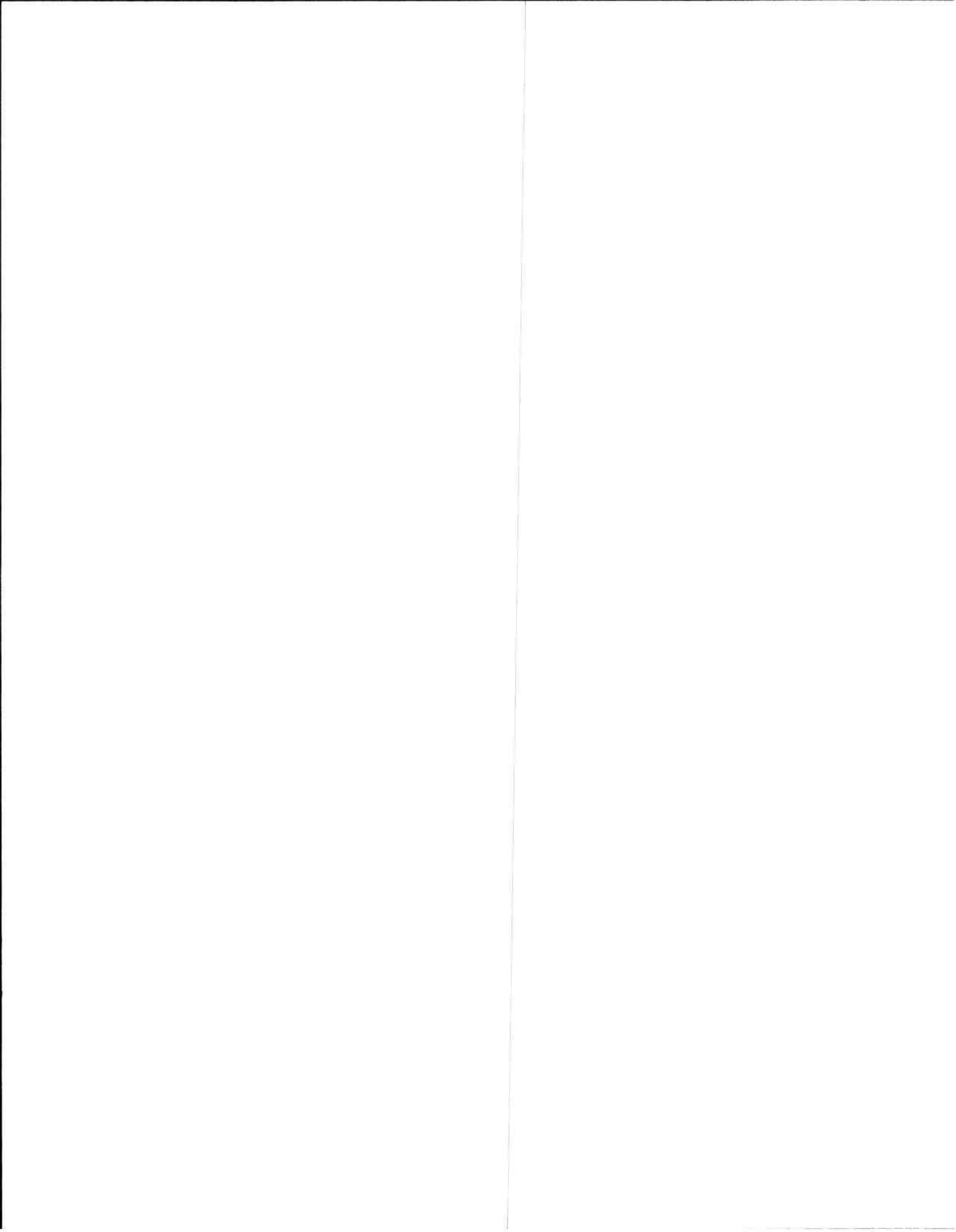
THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE NORTHERLY AT A RIGHT ANGLE AND PARALLEL WITH THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) 37.4 FEET;

THENCE EASTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET; THENCE SOUTHERLY 37.4 FEET TO THE POINT OF BEGINNING.

PARCEL 5:

THAT PORTION OF BLOCK 8 OF RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, SAN BERNARDINO COUNTY RECORDS DESCRIBED AS FOLLOWS:



BEGINNING AT A POINT ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 55 FEET NORTHERLY FROM THE SOUTHEAST CORNER OF SAID BLOCK 8;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE AT A RIGHT ANGLE NORTHERLY PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 39.6 FEET;

THENCE AT A RIGHT ANGLE EASTERLY PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE SOUTHERLY ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 39.6 FEET TO THE POINT OF BEGINNING.

PARCEL 6:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF NINTH STREET, 120 FEET WESTERLY FROM THE SOUTHEASTERLY CORNER OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA;

THENCE AT A RIGHT ANGLE NORTHERLY AND PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 45 FEET;

THENCE AT A RIGHT ANGLE SOUTHERLY AND PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET TO THE NORTHERLY LINE OF NINTH STREET;

THENCE EASTERLY ALONG THE NORTHERLY LINE OF NINTH STREET, 45 FEET TO THE POINT OF BEGINNING.

APNs: 214-292-005
214-292-008
214-292-009
214-292-010
214-292-013
214-292-022

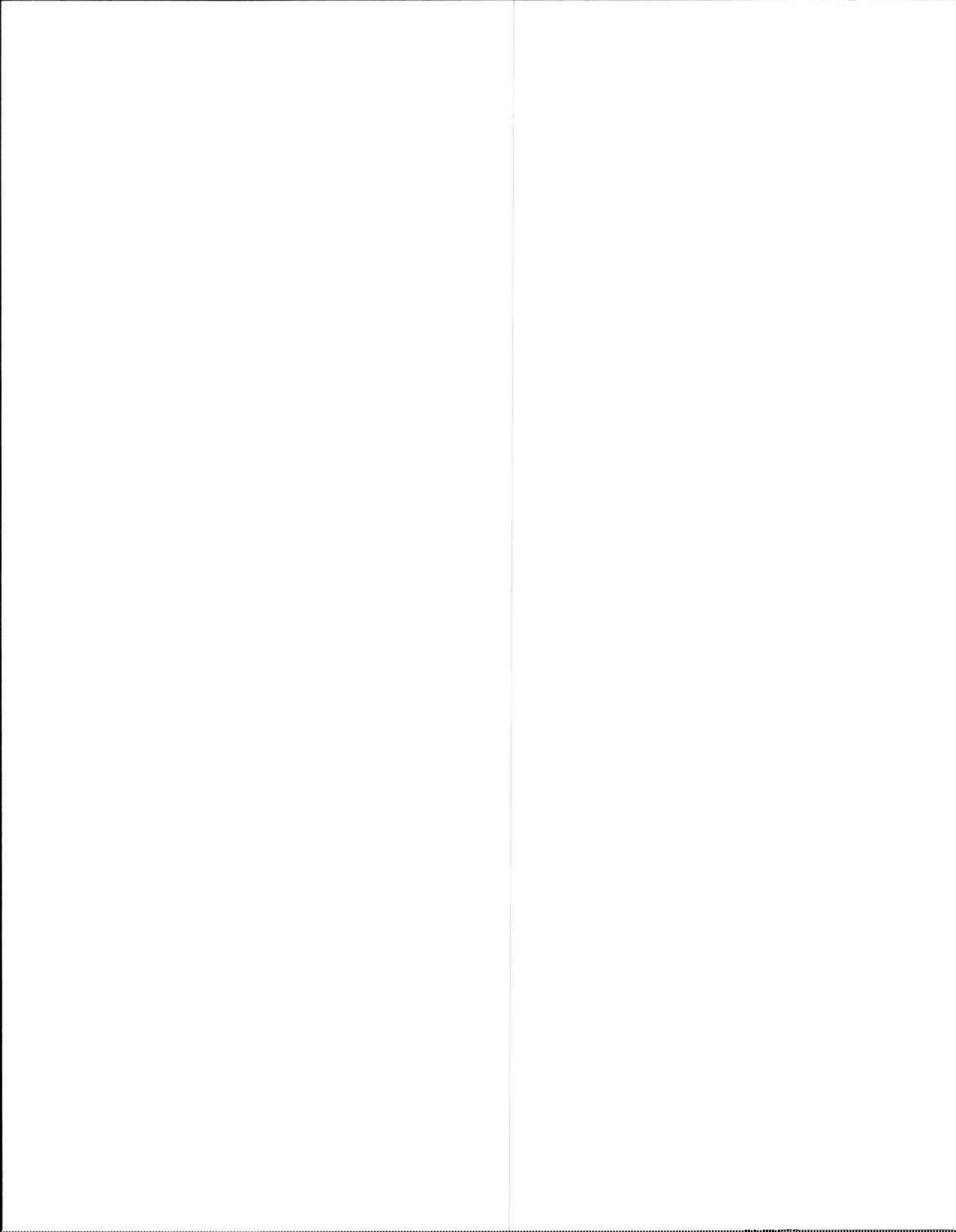
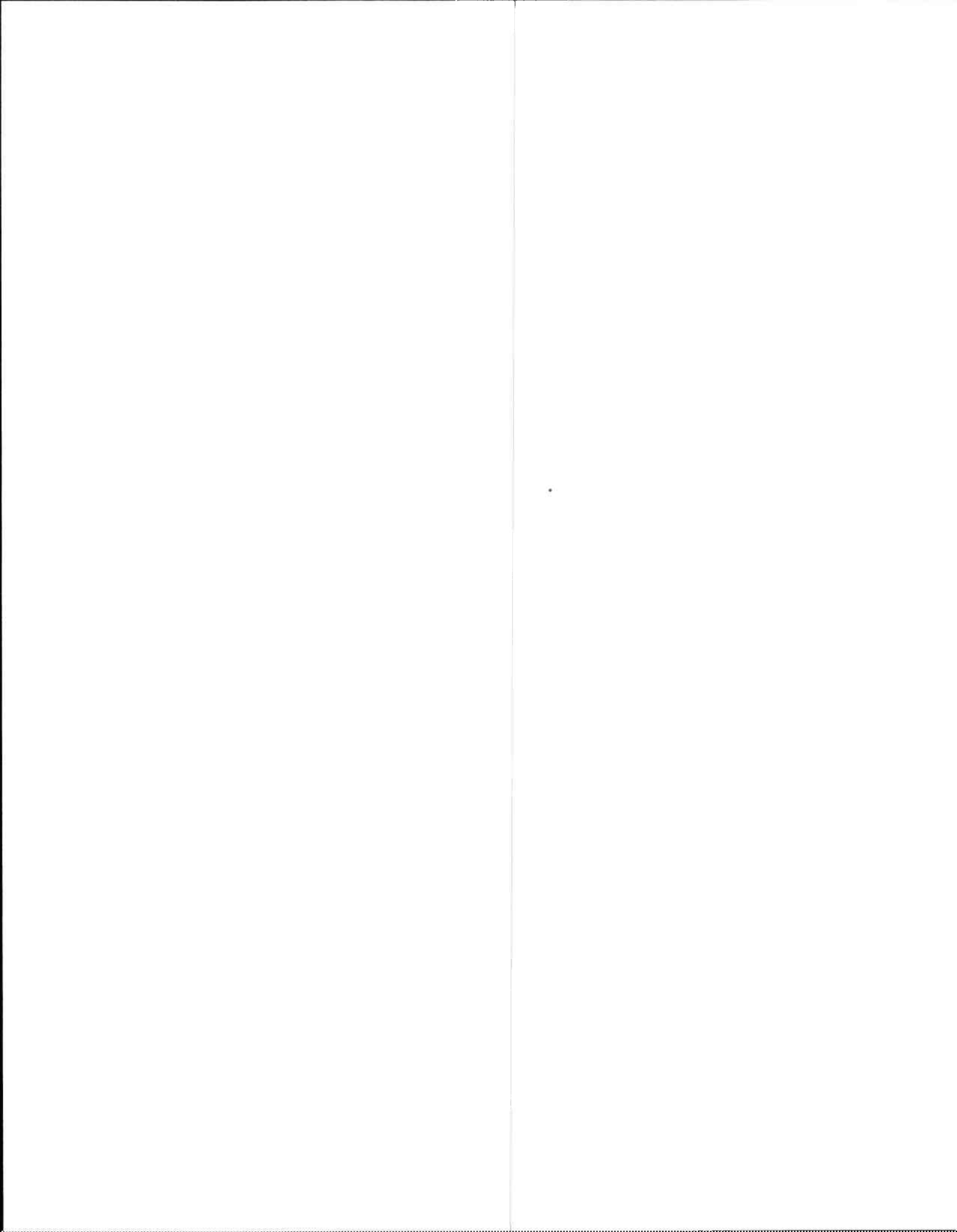


EXHIBIT "C"



PROMISSORY NOTE (ARPA Loan)

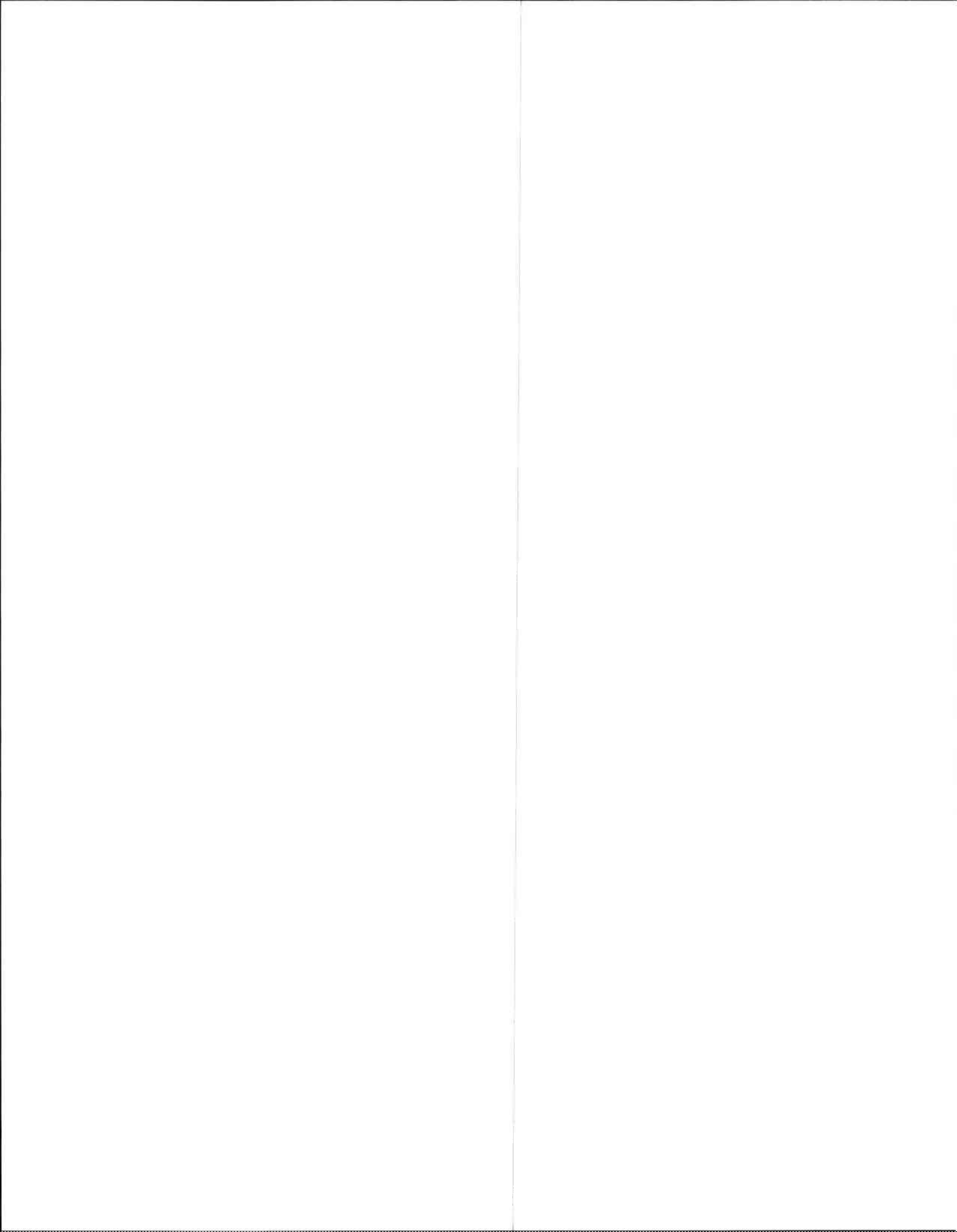
\$2,000,000.00

Riverside, CA

In installments as hereafter stated, for value received, YOUNG SCHOLARS FOR ACADEMIC EMPOWERMENT, dba TRUEEVOLUTION, Inc., a California nonprofit public benefit corporation ("Borrower"), promises to pay the COUNTY OF RIVERSIDE, a political subdivision of the State of California ("COUNTY"), or order, at 3403 10th Street, Suite 300, Riverside, CA 92501, the sum of Two Million Dollars (U.S. \$2,000,000.00) (the "ARPA Loan" or "Note Amount") which at the time of payment is lawful for the payment of public and private debts.

This Promissory Note ("Note") is given in accordance with that certain Loan Agreement for the Use of ARPA Act funds executed by COUNTY and Borrower, dated as of _____, and recorded in the Official Records of the County of Riverside ("Official Records") on or about the date hereof (the "ARPA Loan Agreement"). Except to the extent otherwise expressly defined in this Note, all capitalized terms shall have the meanings ascribed to such terms in the ARPA Loan Agreement. The Note is secured by a Deed of Trust, Security Agreement and Fixture Filing (with Assignment of Rents) executed by Borrower for the benefit of the County dated _____, and recorded on or about the date hereof in the Official Records (the "ARPA Deed of Trust" or "Deed of Trust"). The rights and obligations of the Borrower and COUNTY under this Note shall be governed by the ARPA Loan Agreement and the following terms:

- (1) The ARPA Loan evidenced by this Note and secured by the Deed of Trust are being made pursuant to the Coronavirus State and Local Fiscal Recover Funds ("SLFRF" or "ARPA Funds"); (the "ARPA"). Borrower agrees for itself, its successors and assigns, that the use of the Property shall be subject to the restrictions on use, affordability and occupancy set forth in the ARPA Rules (as defined in the ARPA Loan Agreement), the ARPA Loan Agreement and that certain Covenant Agreement dated on or about the date hereof and recorded concurrently herewith in the Official Records, between Borrower and COUNTY.
- (2) That the ARPA Loan will not accrue any interest per annum, and payments shall be deferred if the Project is in compliance with the ARPA Loan Agreement and forgiven in its entirety at the end of the Term of the ARPA Loan Agreement.
- (3) This Note may be prepaid in whole or in part by the undersigned at any time without prepayment penalty or premium, provided however notwithstanding such prepayment, Borrower shall be required to adhere to the affordability restrictions contained in the Covenants until the expiration of the term contained therein.
- (4) Subject to the provisions and limitations of this Section 8, the obligation to repay the Note Amount is a nonrecourse obligation of Borrower and its officers. Neither Borrower nor its officers shall have any personal liability for repayment of the Note Amount, except as provided in this Paragraph 8. The sole recourse of the COUNTY shall be the exercise of its rights against the Property (or any portion thereof) and any related security for the ARPA Loan; provided, however, that the foregoing shall not (i) constitute a waiver of any other obligation evidenced by this Note or the Deed of Trust; (ii) limit the right of the COUNTY to name Borrower as a party defendant in any action or suit for judicial foreclosure and sale under this Note and the Deed of Trust or any action or proceeding hereunder so long as no judgment in the nature of a deficiency judgment shall be asked for or taken against Borrower; (iii) release or impair either this Note or the Deed of Trust; (iv) prevent or in any way hinder the COUNTY from exercising, or constitute a defense, an



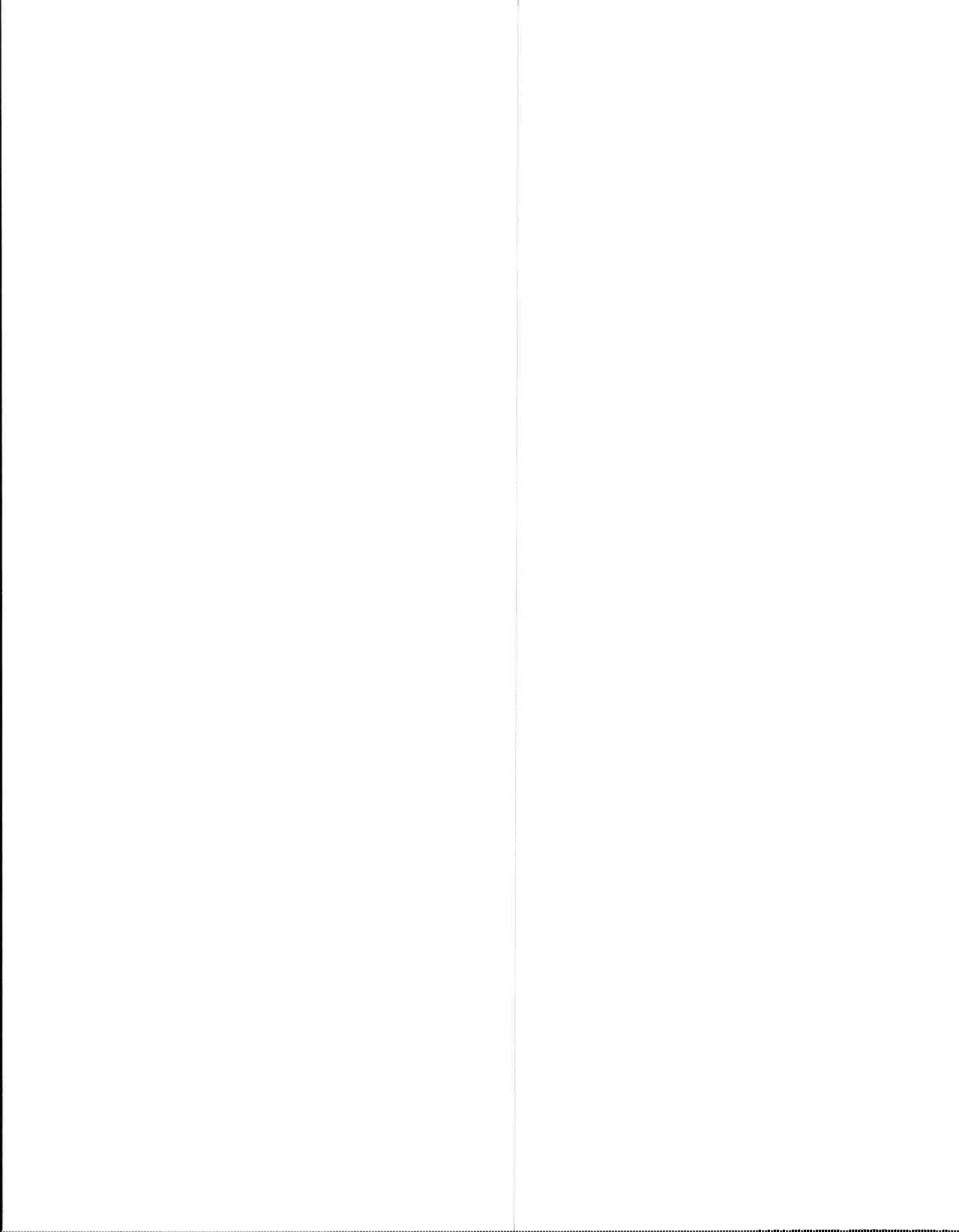
affirmative defense, a counterclaim or other basis for relief in respect of the exercise of, any other remedy against the mortgaged Property or any other instrument securing this Note or as prescribed by law or in equity in case of default; (v) prevent or in any way hinder the COUNTY from exercising, or constitute a defense, an affirmative defense, a counterclaim or other basis for relief in respect of the exercise of, its remedies in respect of any deposits, insurance proceeds, condemnation awards or other monies or other collateral or letters of credit securing this Note; or (vi) affect in any way the validity of any guarantee or indemnity from any person of all or any of the obligations evidenced and secured by this Note and the Deed of Trust. Notwithstanding the first sentence of this Section 4, the COUNTY may recover directly from Borrower or, unless otherwise prohibited by any applicable law, from any other party: (a) any damages, costs and expenses incurred by the COUNTY as a result of fraud, misrepresentation or any criminal act or acts of Borrower or any, officer, director or employee of Borrower; (b) any damages, costs and expenses incurred by the COUNTY as a result of any misappropriation of funds provided to pay costs as described in the ARPA Loan Agreement, rents and revenues from the operation of the Project, or proceeds of insurance policies or condemnation proceeds; and (c) any misappropriation of rental proceeds resulting in the failure to pay taxes, assessments, or other charges that could create statutory liens on the Property and that are payable or applicable prior to any foreclosure under the Deed of Trust.

(5) The occurrence of any of the following events shall constitute an "Event of Default" under this Note after notice and opportunity to cure pursuant to the terms set forth in the ARPA Loan Agreement:

- a. Monetary Default. (1) Borrower's failure to pay when due any sums payable under the ARPA Note or any advances made by COUNTY under this Agreement, (2) Borrower's or any agent of Borrower's use of ARPA funds for costs other than those costs permitted under the ARPA Loan Agreement or for uses inconsistent with terms and restrictions set forth in this Agreement, and/or (3) Borrower's or any agent of Borrower's failure to make any other payment of any assessment or tax due under the ARPA Loan Agreement;
- b. Non-Monetary Default - Operation. (1) Discrimination by Borrower or Borrower's agent on the basis of characteristics prohibited by this Agreement or applicable law, (2) the imposition of any encumbrances or liens on the Project without COUNTY's prior written approval that are prohibited under this agreement or that have the effect of reducing the priority or invalidating the lien of the ARPA Deed of Trust, (3) Borrower's failure to obtain and maintain the insurance coverage required under the ARPA Loan Agreement, (4) any material default under the ARPA Loan Agreement, ARPA Deed of Trust with Assignment of Rents, Covenant Agreement, ARPA Note, or any document executed by the County in connection with this Agreement, and/or (4) default past any applicable notice and cure period under the terms of the ARPA Deed of Trust or any other instrument or document secured against the Property;
- c. General Performance of Loan Obligations. Any substantial or continuous or repeated breach by Borrower or Borrower's agents of any material obligations on Borrower imposed in the ARPA Loan Agreement; and

- d. General Performance of Other Obligations. Any substantial or continuous or repeated breach by Borrower or Borrower's agents of any material obligations on the Project imposed by any other agreement with respect to the financing, development, or operation of the Project; whether or not COUNTY is a party to such agreement.
- (6) COUNTY shall give written notice of default to Borrower, specifying the default complained of by the COUNTY. Borrower shall have ten (10) calendar days from the mailing of the notice for a monetary default, by which such action to cure must be taken. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default.
- (7) Any failures or delays by COUNTY in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by COUNTY in asserting any of its rights and remedies shall not deprive COUNTY of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.
- (8) If the rights created by this Note shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the obligations described herein, the remaining obligations shall be completely performed and paid. In the event that any provision or clause of this Note conflicts with applicable law, such conflict will not affect other provisions of this Note which can be given effect without the conflicting provision, and to this end the provisions of the Note are declared to be severable.
- (9) Borrower hereby waives diligence, presentment, protest and demand, notice of protest, dishonor and nonpayment of this Note, and expressly agrees that, without in any way affecting the liability of Borrower hereunder, the COUNTY may extend any maturity date or the time for payment of any installment due hereunder, accept additional security, release any party liable hereunder and release any security now or hereafter securing this Note. Borrower further waives, to the full extent permitted by law, the right to plead any and all statutes of limitations as a defense to any demand on this Note, or on any deed of trust, security agreement, guaranty or other agreement now or hereafter securing this Note.
- (10) Should default be made in payment of principal and interest when due and such default shall continue beyond the applicable notice and cure period provided in the ARPA Loan Agreement, the whole sum of principal and interest shall become immediately due at the option of the holder of this Note. Principal and interest are payable in lawful money of the United States. If action be instituted on this Note, the undersigned promises to pay such sums as the Court may fix as attorney's fees.
- (11) This Note has been negotiated and entered in the State of California, and shall be governed by, construed and enforced in accordance with the internal laws of the State of California, applied to contracts made in California by California domiciliaries to be wholly performed in California. Any action at law or in equity arising under this Note or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Note shall be filed in the Superior Court of Riverside County, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court or jurisdiction.

- (12) No modification, rescission, waiver, release or amendment of any provision of this Note shall be made except by a written agreement executed by Borrower and the duly authorized representative of the COUNTY.
- (13) The COUNTY may, in its sole and absolute discretion, assign its rights under this Note and its right to receive repayment of the Note Amount without obtaining the consent of Borrower.
- (14) In no event shall Borrower assign or transfer any portion of this Note or any rights herein without the prior express written consent of the COUNTY, which consent the COUNTY may give or withhold in its sole and absolute discretion. In the absence of specific written agreement by the COUNTY, no unauthorized assignment or transfer, or approval thereof by the COUNTY, shall be deemed to relieve Borrower or any other party from any obligations under the ARPA Loan Agreement or this Note. This provision shall not affect or diminish the COUNTY's assignment rights under this Note.
- (15) Except as to the permitted deeds of trust identified herein, Borrower shall not encumber the Property for the purpose of securing financing either senior or junior in priority or subordinated to the Deed of Trust without the prior written approval of the COUNTY in its sole and absolute discretion.
- (16) The relationship of Borrower and the COUNTY pursuant to this Note is that of debtor and creditor and shall not be, or be construed to be, a joint venture, equity venture, partnership or other relationship.
- (17)
 - (a) Formal notices, demands and communications between the County and Borrower shall be deemed sufficiently given if made in writing and dispatched by any of the following methods to the addresses of the COUNTY and Borrower as set forth below: (i) registered or certified mail, postage prepaid, return receipt requested (in which event, the notice shall be deemed delivered on the date of receipt thereof); (ii) electronic facsimile transmission, followed on the same day by delivery of a "hard" copy via first-class mail, postage prepaid (in which event, the notice shall be deemed delivered on the date of its successful facsimile transmission as evidenced by a facsimile confirmation or "kick-out" sheet); or (iii) personal delivery, including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service (in which event, the notice shall be deemed delivered on the documented date of receipt). Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail.
 - (b) The address of the COUNTY for purposes of receiving notices pursuant to this Note shall be 3403 10th St., Suite 300, Riverside, California 92501, Attention: Director HWS. The facsimile number for the COUNTY's receipt of notices is (951) 352-4852.
 - (c) The address of Borrower for purposes of receiving notices pursuant to this Note is 4164 Brockton Ave., Riverside, CA 92501, Attention: Chief Executive Officer.
- (18) The captions and headings in this Note are for convenience only and are not to be used to interpret or define the provisions hereof.



- (19) The undersigned, if comprising more than one person or entity, shall be jointly and severally liable hereunder.
- (20) This Note shall be binding upon Borrower and its heirs, successors and assigns, and shall benefit the COUNTY and its successors and assigns.

IN WITNESS WHEREOF, Borrower has executed this Note as of the day and year first set forth above.

~~BORROWER:~~
BORROWER:

~~Young School for Adaptive Education, a California nonprofit public benefit corporation,~~
Young School for Adaptive Education, a California nonprofit public benefit corporation,
TruEvolution Inc., a California nonprofit public benefit corporation,

By: _____ By: Type text here
Gabriel Maldonado, Chief Executive Officer

Date: _____
Date: _____

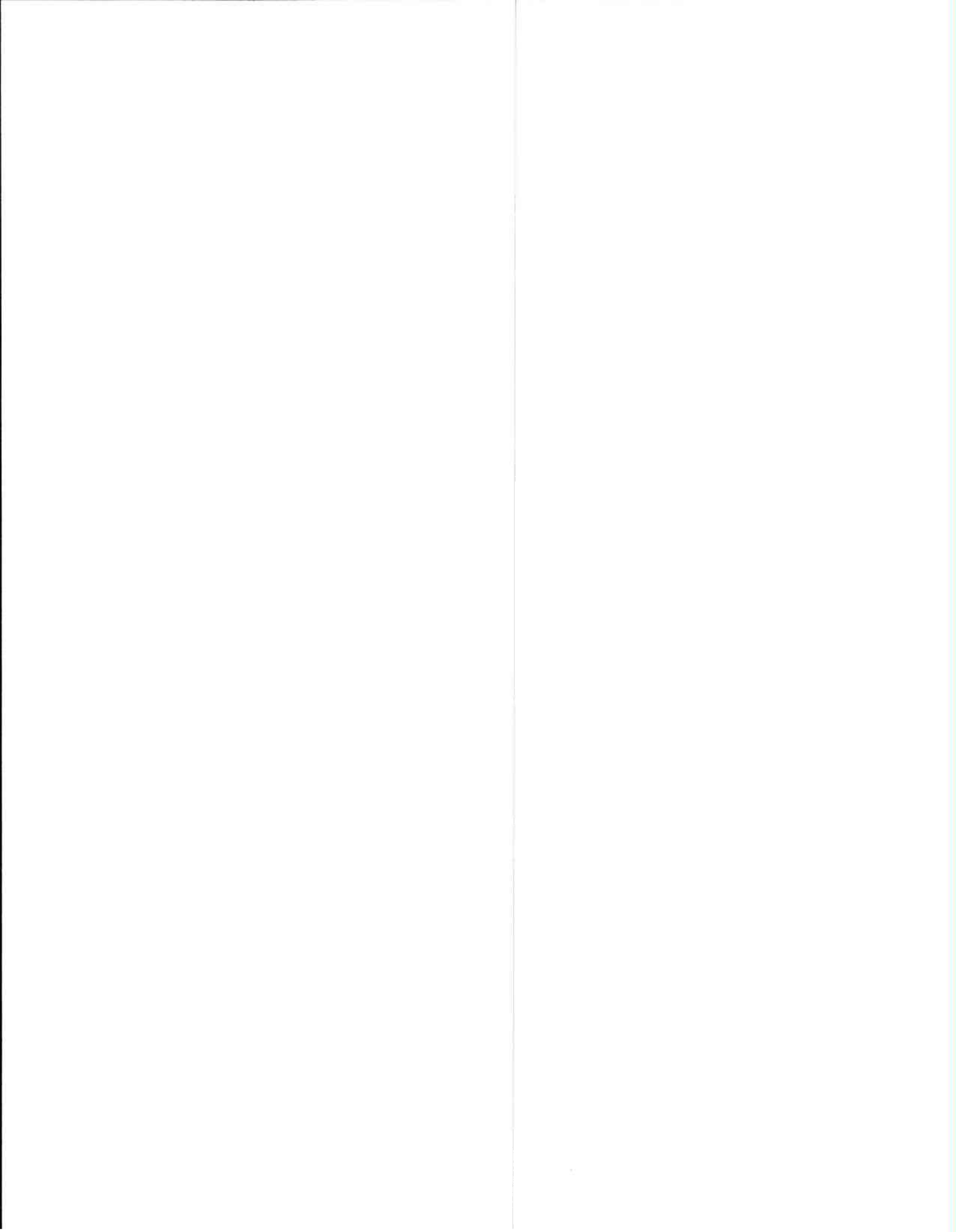
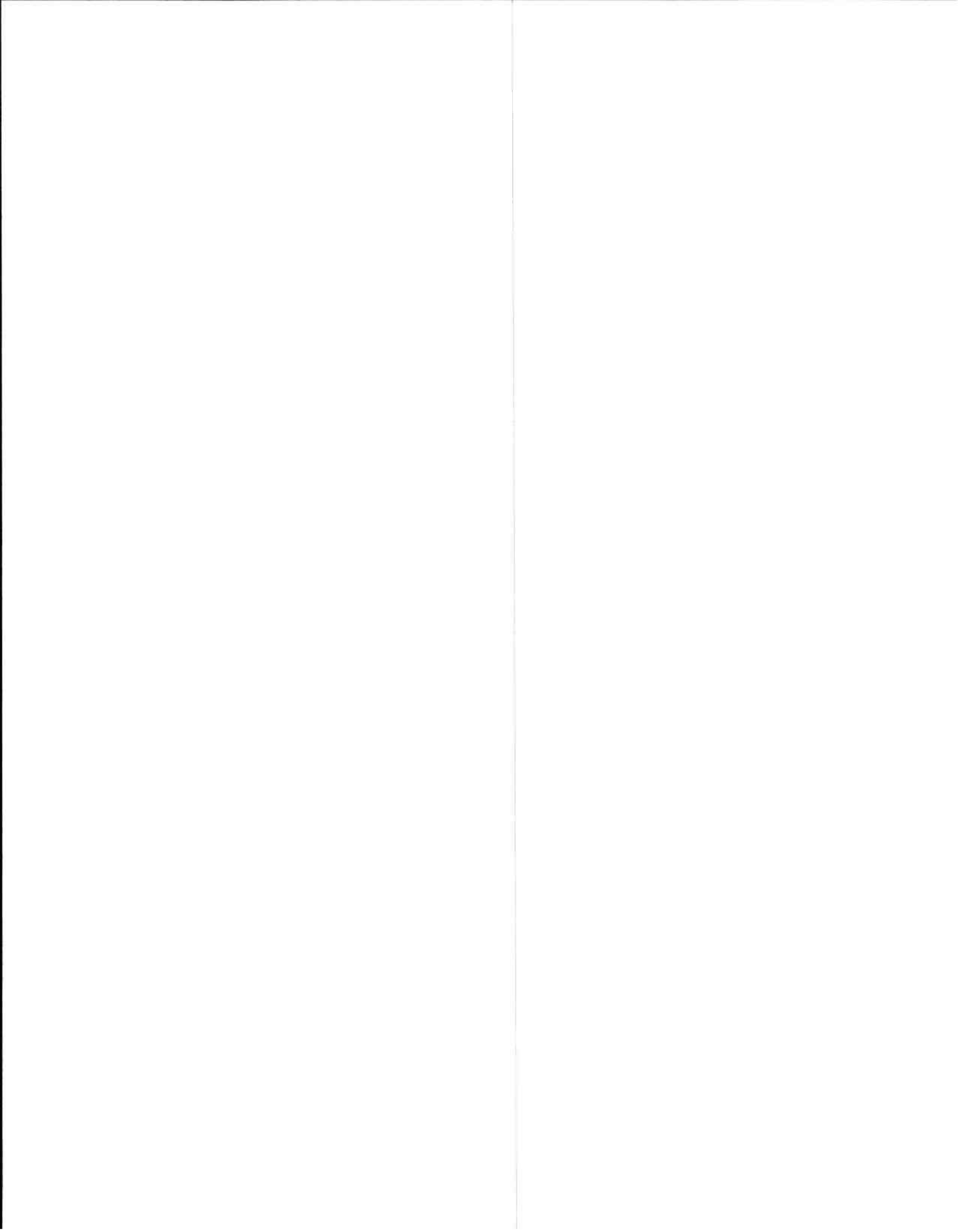


EXHIBIT “D”

Prohibition Against Conflicts of Interest



TOPIC: CONFLICT OF INTEREST CODE
RIVERSIDE COUNTY
Housing & Workforce Solutions
DATE: MARCH 1999

This Conflict of Interest Code is written to comply with Federal Regulations (2 C.F.R. § 200.318(c) and 2 C.F.R. § 200.112).

- 1) No employee, officer, or agent of the grantee shall participate in the selection, in the award or in the administration of a contract supported by Federal Funds if a conflict of interest, real or apparent, would be involved.
- 2) Such a conflict will arise when:
 - i) The employee, officer or agent;
 - ii) Any member of the immediate family;
 - iii) His/Her partners; or
 - iv) An organization which employs, or is about to employ any of the above has a financial or other interest in the firm's selection for award.
- 3) The grantee's or sub-grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to sub-agreements except as noted in Section 4.
- 4) A grantee's or sub-grantee's officers, employees or agents will be presumed to have a financial interest in a business if their financial interest exceeds the following:
 - i) Any business entity in which the official has a direct or indirect investment worth one thousand dollars (\$1,000) or more.
 - ii) Any real property in which the official has a direct or indirect interest worth one thousand dollars (\$1,000) or more.
 - iii) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating two hundred fifty dollars (\$250) or more in value provided to, received by or promised to the official within 12 months prior to the time when the decision is made.
 - iv) Any business entity in which the official is a director, officer, partner, trustee, employee, or holds any position of **management**.
 - v) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating two hundred fifty dollars (\$250) or more in value provided to, received by, or promised to the official within 12 months prior to the time when the decision is made.
- 5) For purposes of **Section 4**, indirect investment or interest means any investment or interest owned by the spouse or dependent child of an official, by an agent on behalf of an official, or by a business entity or trust in which the official, the official's agents, spouse, and dependent children own directly, indirectly, or beneficially a 10-percent interest or more.

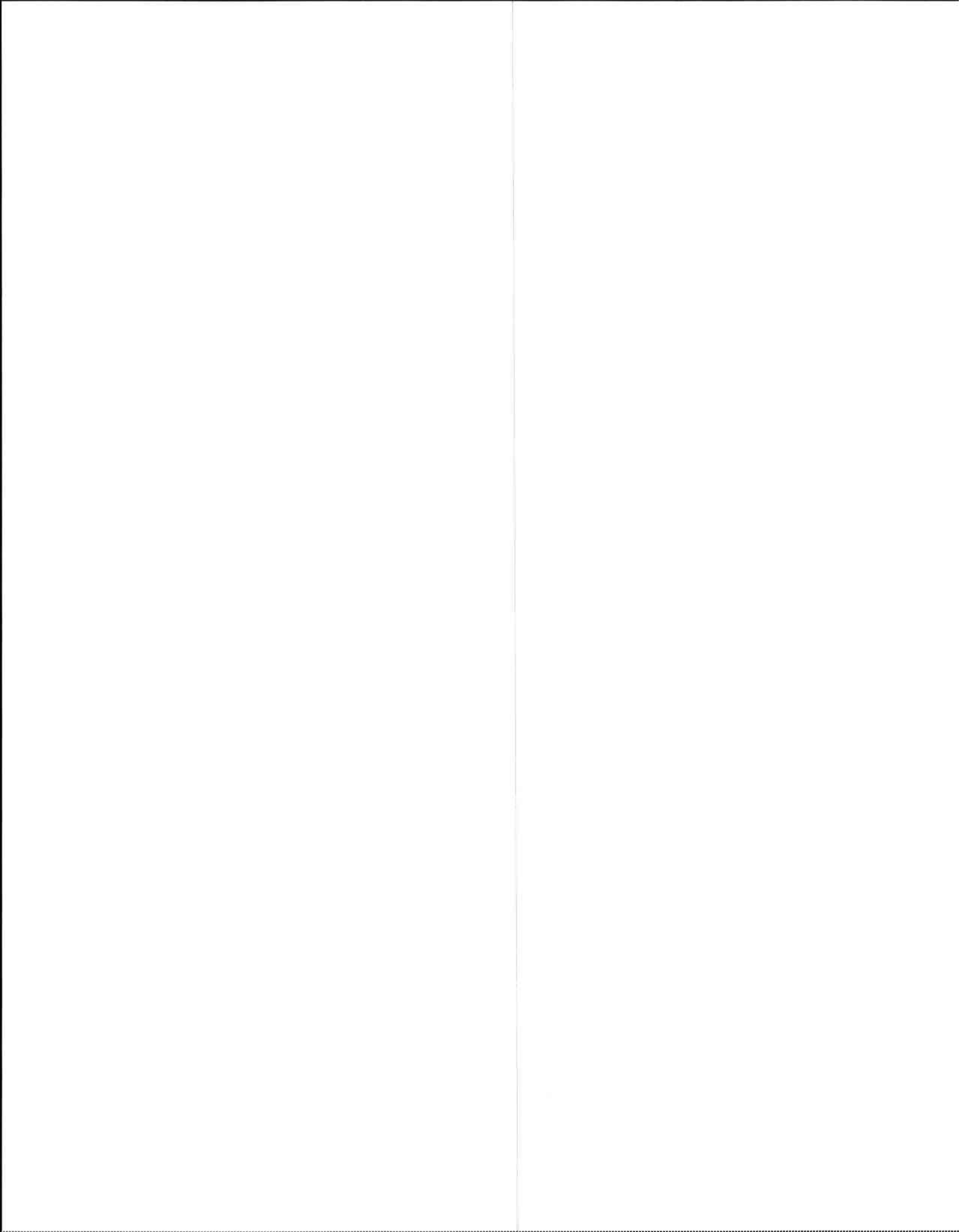


EXHIBIT “E”

Covenant Agreement

1 NO FEE FOR RECORDING PURSUANT
TO GOVERNMENT CODE SECTION 6103

2 Order No.
3 Escrow No.
4 Loan No.

5 RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

6 County of Riverside
7 Housing and Workforce Solutions
8 3403 10th Street, Suite 300
Riverside, CA 92501
Attn. Juan Garcia

SPACE ABOVE THIS LINE FOR RECORDERS USE

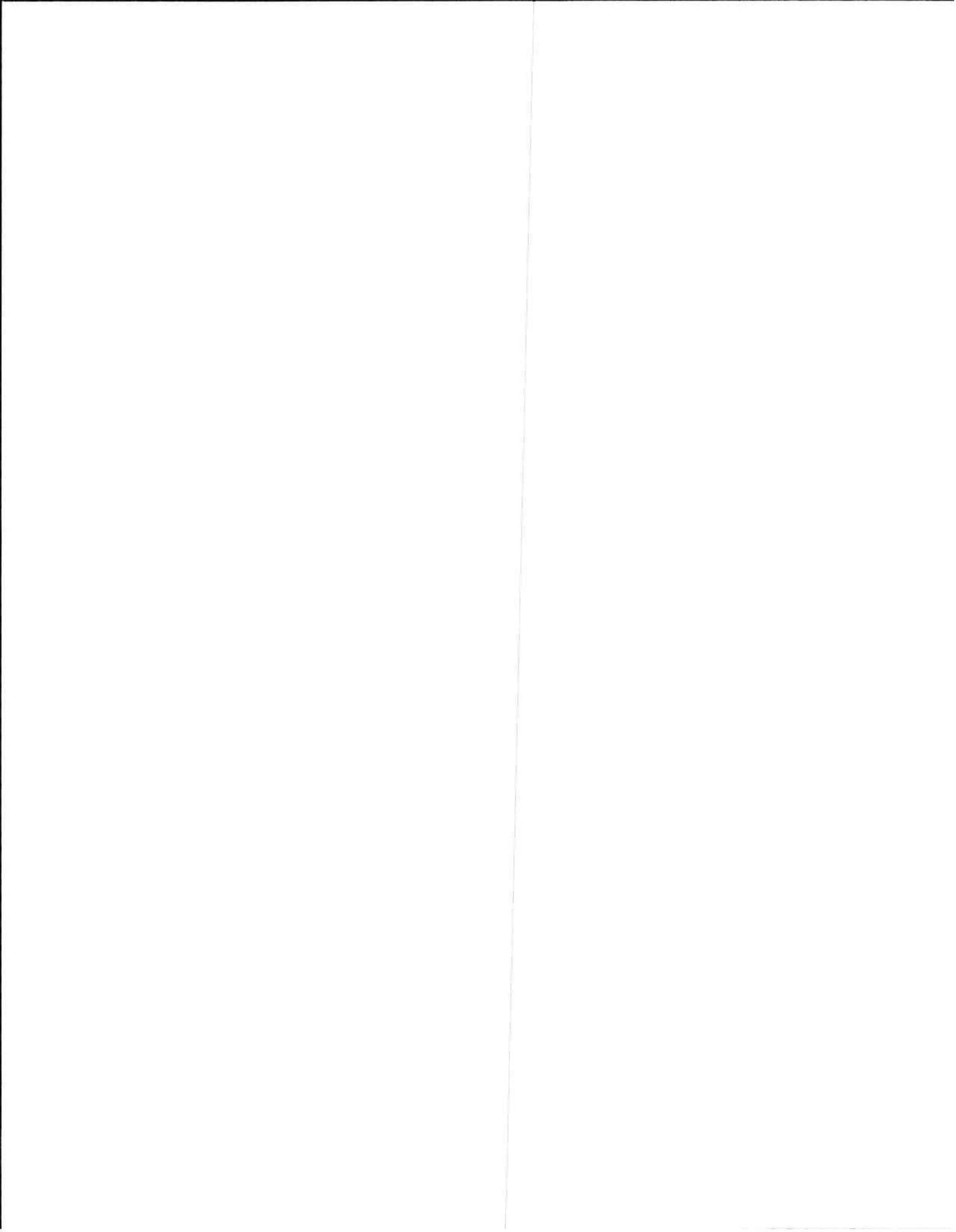
9
10 **COVENANT AGREEMENT**

11 This Covenant Agreement PROJECT LEGACY (“Covenant”) is made and entered into as
12 of the day of _____, 2022 by and between the COUNTY OF
13 RIVERSIDE, a political subdivision of the State of California (“COUNTY”), and YOUNG
14 SCHOLARS FOR ACADEMIC EMPOWERMENT, dba TRUEEVOLUTION, Inc., a California
15 nonprofit public benefit corporation (“OWNER”).

16 **RECITALS**

17 WHEREAS, OWNER owns that certain real property located at 3839, 3853, 3865, and
18 3879 Brockton Ave.; 4145 9th St.; and 4132 University Ave., in Riverside, CA 92501 in the
19 County of Riverside, also identified as APNs 214-292-008, 214-292-009, 214-292-010, 214-292-
20 022, 214-292-013, 214-292-005 more specifically described in the legal description attached
21 hereto as **Exhibit A** and incorporated herein by this reference (the “Property”);

22 WHEREAS, on _____ COUNTY and OWNER entered into that certain
23 Loan Agreement for the Use of ARPA Act Funds dated _____, 2022 and recorded
24 in the Official Records of the County of Riverside (“Official Records”) concurrently herewith (the
25 “ARPA Loan Agreement” or “Agreement”) which provides for, among other things, the
26 rehabilitation and development of the Property, including six (6) contiguous properties, five (5)



1 residential and a commercial building which will be used as office space and on-site community
2 Health and Justice Center, where wraparound services will be provided to tenants living at Project
3 Legacy and resources be made available to the public; up to forty-nine (49) beds of transitional
4 housing will be made available to homeless individuals or individuals at risk of homelessness,
5 including vulnerable populations such as LGBTQ youth, seniors, and individuals living with HIV
6 or AIDS, also known as "Project Legacy" (collectively, the "Project"); and

7 WHEREAS, the forty nine (49) beds at the Project will be reserved as ARPA-Assisted
8 Units ("ARPA-Assisted Units") in which for homeless individuals or individuals at risk of
9 homelessness whose incomes do not exceed 30% of the area median income for the County of
10 Riverside at the time of initial occupancy ("ARPA-Assisted Units"). Capitalized terms not defined
11 herein shall have the meaning ascribed to them in the ARPA Loan Agreement; and

12 WHEREAS, the County is providing funding under the American Rescue Plan Act of
13 2021 (Title VI of the Social Security Act Section 602 et seq.), herein after "ARPA," for the
14 purposes of providing decent, safe, and sanitary transitional housing to homeless individuals or
15 individuals at risk of homelessness; and

16 WHEREAS, pursuant to the ARPA Loan Agreement, COUNTY loaned to OWNER
17 \$2,000,000.00 derived from ARPA funds ("ARPA Loan"), to pay for a portion of the rehabilitation
18 expenses of the Project, as more fully described in the ARPA Loan Agreement. The ARPA Loan
19 is evidenced by a Promissory Note executed by OWNER, in favor of the COUNTY dated on or
20 about the date hereof ("ARPA Loan Note") and secured by that certain Deed of Trust, Security
21 Agreement and Fixture Filing (with Assignment of Rents) executed by OWNER, for the benefit
22 of COUNTY and recorded in the Official Records concurrently herewith ("ARPA Loan Deed of
23 Trust"); and

24 WHEREAS, COUNTY is providing funding under the American Rescue Plan Act of 2021
25 (Title VI of the Social Security Act Section 602 et seq.), herein after "ARPA," for the purposes
26 of providing decent, safe, and sanitary transitional housing to homeless individuals or individuals
27
28

1 at risk of homelessness; and

2 WHEREAS, OWNER warrants that the use of funds complies with an Eligible Use of
3 ARPA;

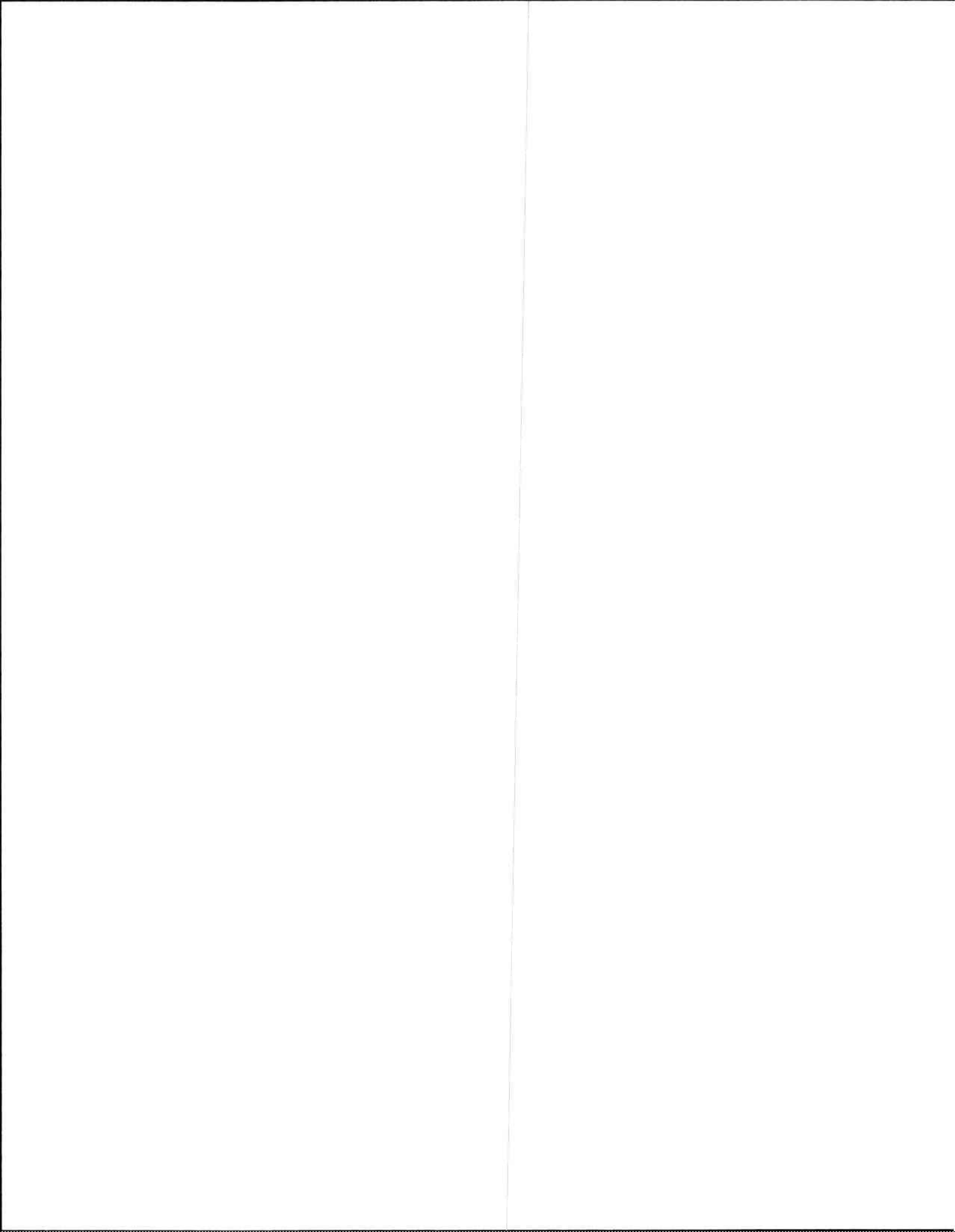
4 WHEREAS, pursuant to the ARPA Loan Agreement, OWNER has agreed to rehabilitate
5 the Project on the Property and ensure the ARPA-Assisted Units are occupied by Qualified
6 Individuals consistent with the ARPA Rules (as defined in the ARPA Loan Agreement) and as set
7 forth more specifically below.

8 NOW, THEREFORE, in consideration of the mutual covenants and agreements, and for
9 other good and valuable consideration, the receipt and sufficiency of which are hereby
10 acknowledged, OWNER, on behalf of itself and its successors, assigns, and each successor in
11 interest to the Property or any part thereof, hereby declares as follows:

12 1) RESTRICTIONS. The recitals set forth above are true and correct and incorporated
13 herein. This Covenant shall continue in full force and effect for the later of (i) fifty-five (55) years
14 from the recordation of the Covenant Agreement for the last building for which construction is
15 completed for the Project on the Property, or (ii) July 1, 2077 (“Term” or “Affordability Period”).
16 For the duration of the Term, the Property shall be held, sold and conveyed, subject to the following
17 covenants, conditions, and restrictions:

18 a) The ARPA-Assisted Units shall be made available only to homeless
19 individuals or individuals at risk of homelessness whose incomes do not exceed 30% of the area
20 median income for the County of Riverside, at the time of initial occupancy. The ARPA-Assisted
21 Units shall be a “floating” designation on the Property such that the requirements of this
22 Agreement will be satisfied so long as the total number of ARPA-Assisted Units remains the same
23 throughout the Affordability Period and the substituted ARPA-Assisted Unit is comparable in
24 terms of size, features, and number of bedrooms to the originally designates ARPA Assisted Unit;

25 b) OWNER shall comply with the terms of the ARPA Loan Agreement, ARPA
26 Loan Note, ARPA Loan Deed of Trust and any other instrument secured against the Property.



1 2) SENIOR PRIORITY. This Covenant Agreement shall be recorded with the Official
2 Records of the County of Riverside in a first priority lien position, senior to the ARPA Deed of
3 Trust and the ARPA Loan Agreement.

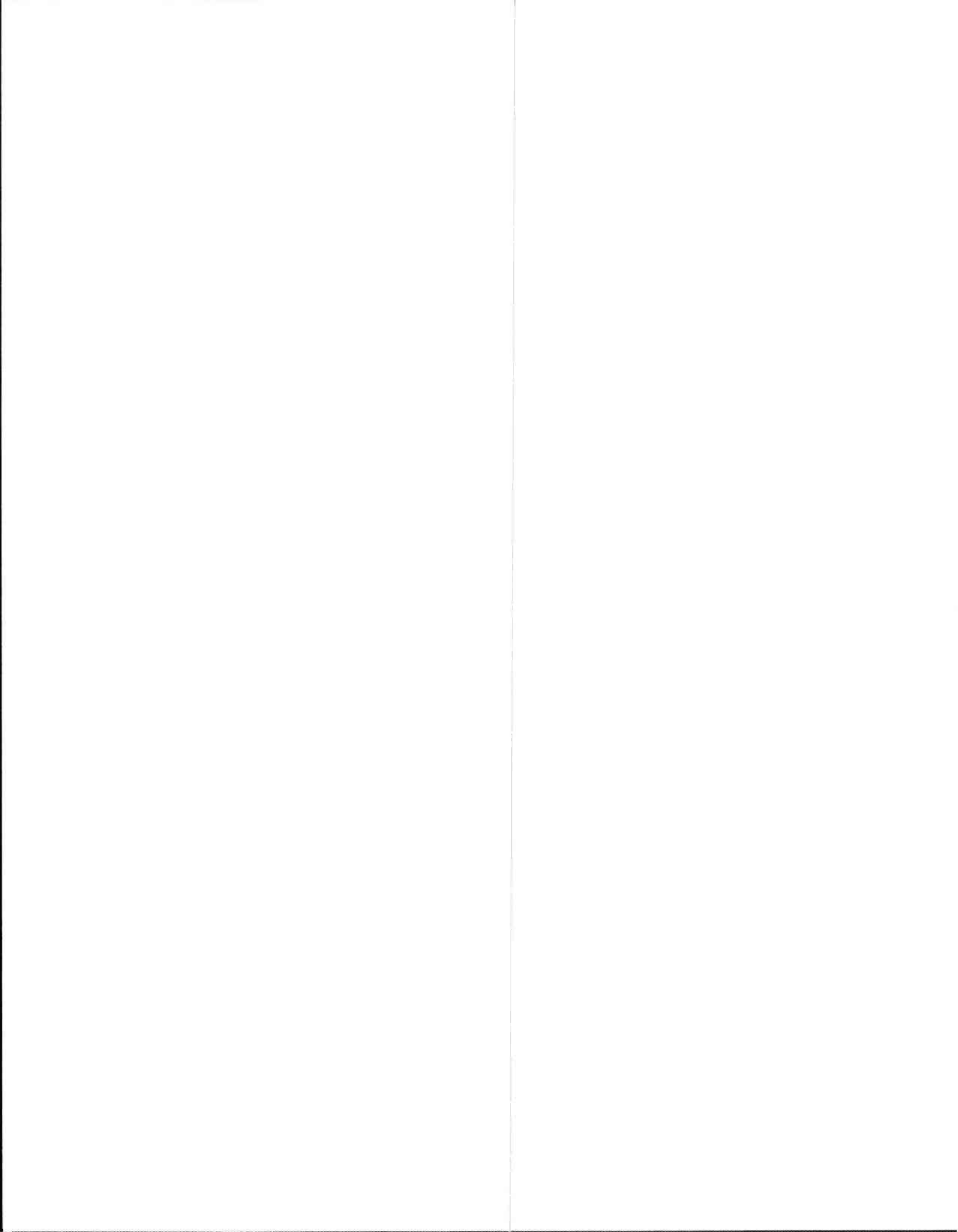
4 3) COMPLIANCE WITH LAWS AND REGULATIONS. During the Term of this
5 Covenant, OWNER, for itself and on behalf of its successors and assigns, shall adhere to and
6 comply with all federal, state and local laws, regulations and ordinances., including, but not limited
7 to the following:

8 a) The Coronavirus State and Local Fiscal Recover Funds (“SLFRF” or
9 “ARPA Funds”);

10 b) Other Federal requirements and nondiscrimination. As set forth in the
11 ARPA Rules and the ARPA Loan Agreement.

12 (1) Reserved.

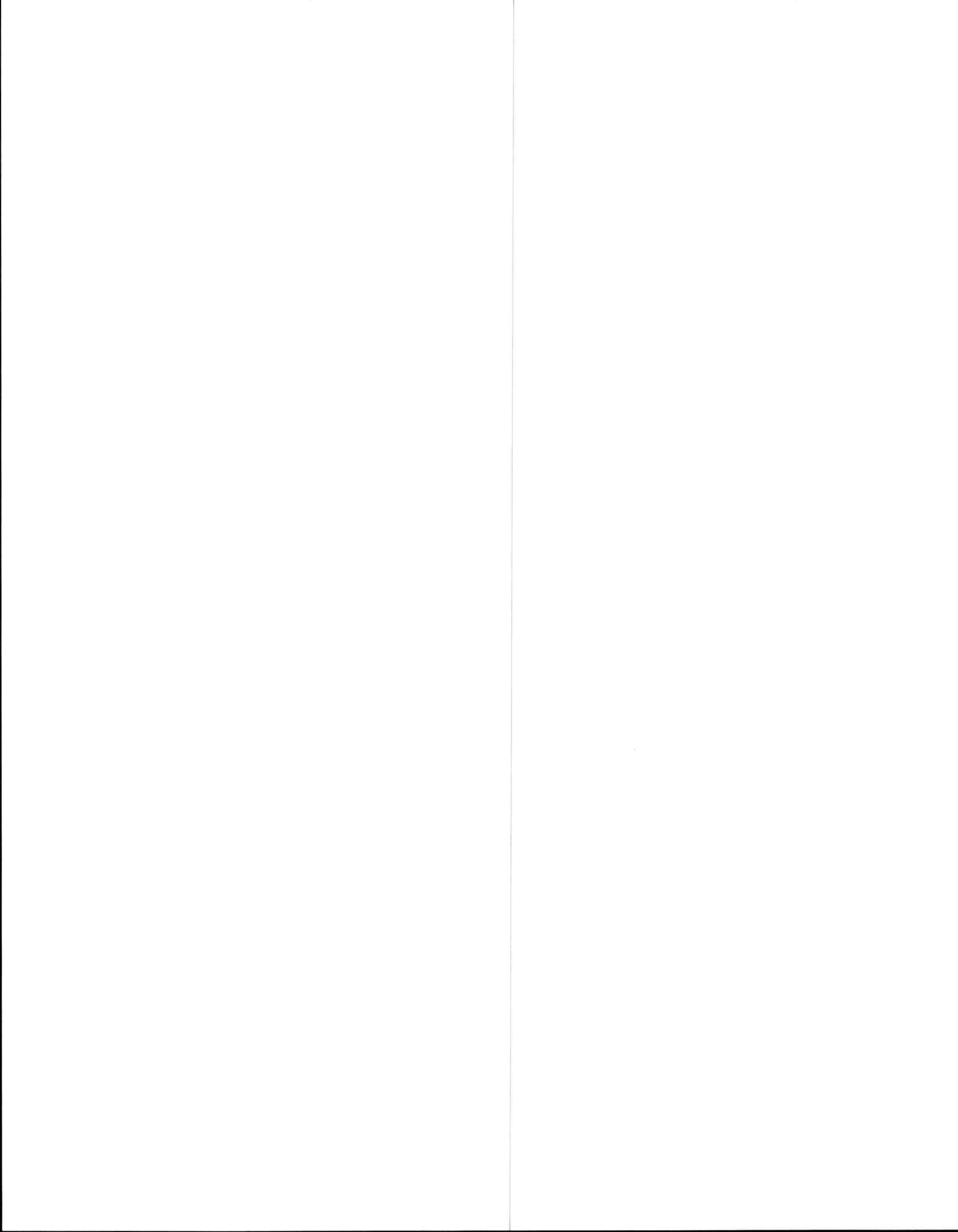
13 4) MAINTENANCE OF THE IMPROVEMENTS. OWNER, on behalf of itself and its
14 successors, assigns, and each successor in interest to the Property and Project or any part thereof
15 hereby covenants to and shall protect, maintain, and preserve the Property in compliance with all
16 applicable federal and state law and regulations and local ordinances. In addition, OWNER, its
17 successors and assigns, shall maintain the improvements on the Property in the same aesthetic and
18 sound condition (or better) as the condition of the Property at the time of the recordation of the
19 Covenant Agreement for the Project, reasonable wear and tear excepted. This standard for the
20 quality of maintenance of the Property shall be met whether or not a specific item of maintenance
21 is listed below. However, representative items of maintenance shall include frequent and regular
22 inspection for graffiti or damage or deterioration or failure, and immediate repainting or repair or
23 replacement of all surfaces, fencing, walls, equipment, etc., as necessary; emptying of trash
24 receptacles and removal of litter; sweeping of public sidewalks adjacent to the Property, on-site
25 walks and paved areas and washing-down as necessary to maintain clean surfaces; maintenance of
26 all landscaping in a healthy and attractive condition, including trimming, fertilizing and replacing



1 vegetation as necessary; cleaning windows on a regular basis; painting the buildings on a regular
2 program and prior to the deterioration of the painted surfaces; conducting a roof inspection on a
3 regular basis and maintaining the roof in a leak-free and weather-tight condition; maintaining
4 security devices in good working order. In the event OWNER, its successors or assigns fails to
5 maintain the Property in accordance with the standard for the quality of maintenance, the
6 COUNTY or its designee shall have the right but not the obligation to enter the Property upon
7 reasonable notice to OWNER, correct any violation, and hold OWNER, or such successors or
8 assigns responsible for the cost thereof, and such cost, until paid, shall constitute a lien on the
9 Property.

10 5) NONDISCRIMINATION. OWNER shall not discriminate on the basis of race, gender,
11 religion, national origin, ethnicity, sexual orientation, age or disability in the solicitation, selection,
12 hiring or treatment of any contractors or consultants, to participate in subcontracting/subconsulting
13 opportunities. OWNER understands and agrees that violation of this clause shall be considered a
14 material breach of this Lease and may result in termination, debarment or other sanctions. This
15 language shall be incorporated into all contracts between OWNER and any contractor, consultant,
16 subcontractor, subconsultants, vendors and suppliers. OWNER shall comply with the provisions
17 of the California Fair Employment and Housing Act (Government Code Sections 12900 et seq.),
18 the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended, and all Administrative Rules and
19 Regulations issued pursuant to said Acts and Orders with respect to its use of the Property.

20 6) OWNER herein covenants by and for itself, its successors and assigns, and all persons
21 claiming under or through them, that this Covenant is made and accepted upon and subject to the
22 following conditions: There shall be no discrimination against or segregation of any person or
23 group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the
24 Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and
25 paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code,
26 in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall
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1 the transferee itself or any person claiming under or through him or her, establish or permit any
2 such practice or practices of discrimination or segregation with reference to the selection, location,
3 number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the Property.

4 7) OWNER, its successors and assigns, shall refrain from restricting the rental, sale, or
5 lease of the Property or any portion thereof, on the basis of race, color, creed, religion, sex, sexual
6 orientation, marital status, national origin, or ancestry of any person. Every deed, lease, and
7 contract entered into with respect to the Property, or any portion thereof, after the date of this
8 Agreement shall contain or be subject to substantially the following nondiscrimination or
9 nonsegregation clauses:

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

21 b) In leases: "The lessee herein covenants by and for himself or herself, his or her
22 heirs, executors, administrators, and assigns, and all persons claiming under or through him or her,
23 and this lease is made and accepted upon and subject to the following conditions: That there shall
24 be no discrimination against or segregation of any person or group of persons, on account of any
25 basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are
26 defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of
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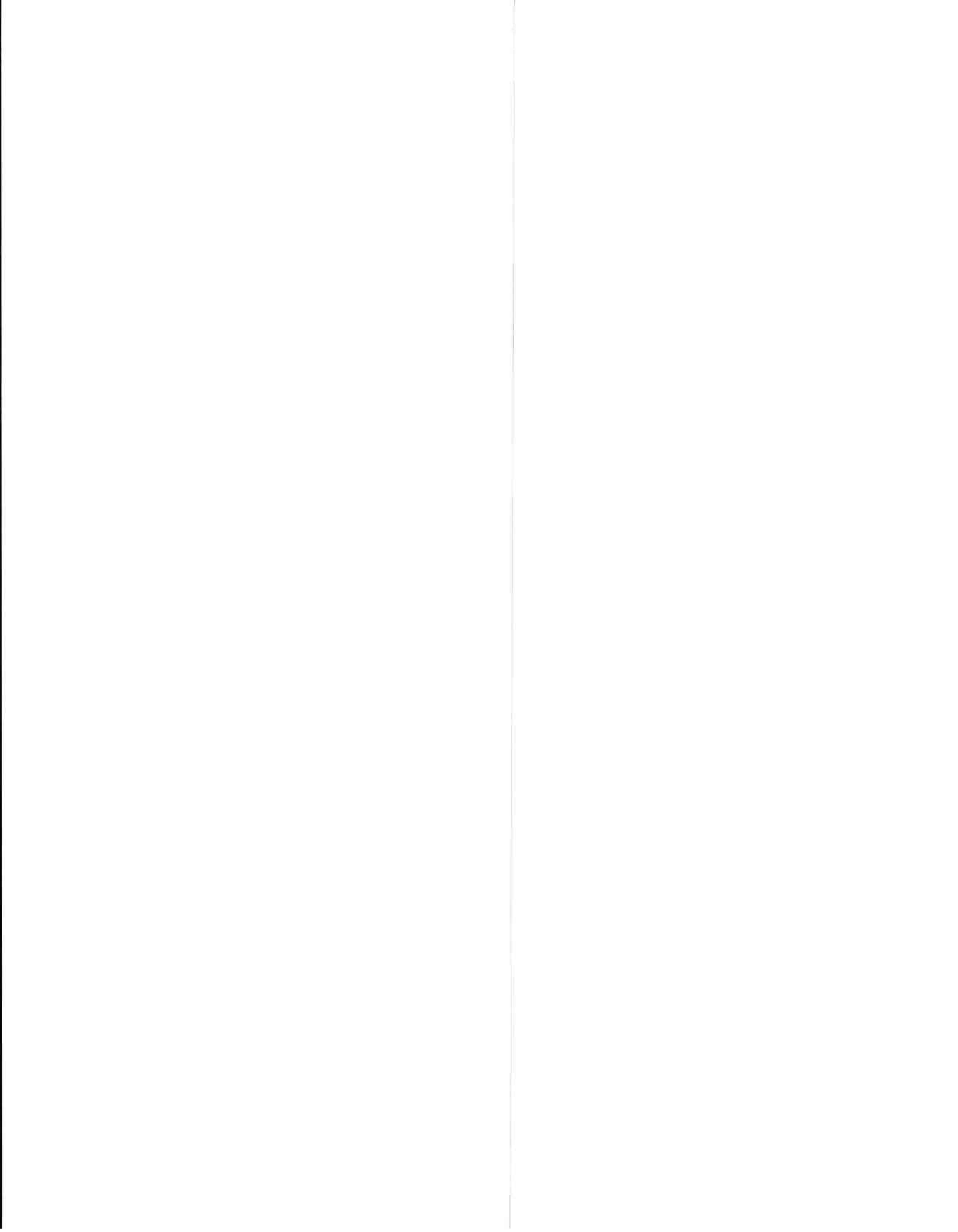
1 Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing,
2 transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee
3 himself or herself, or any person claiming under or through him or her, establish or permit any
4 such practice or practices of discrimination or segregation with reference to the selection, location,
5 number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises
6 herein leased.”

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

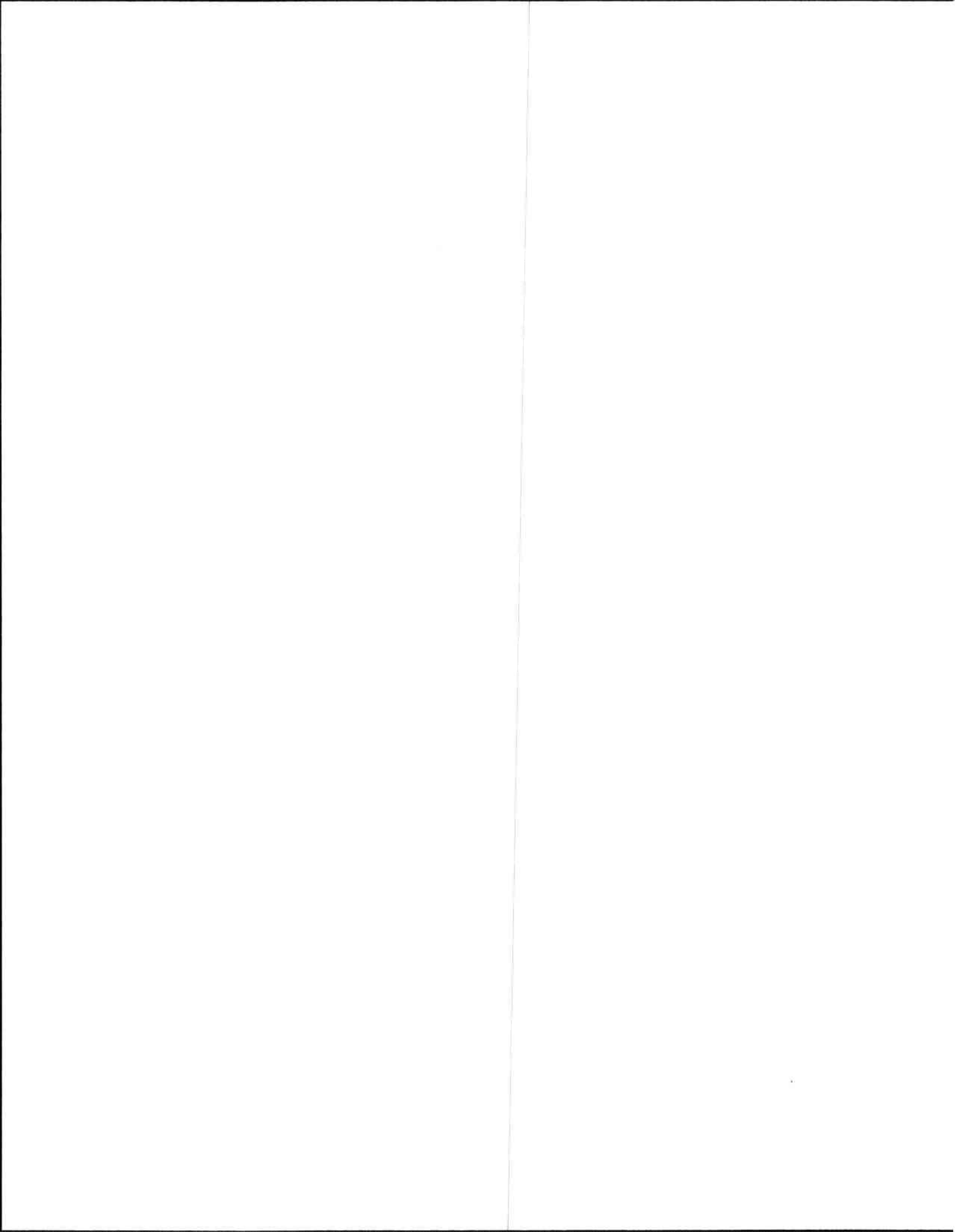
16 In addition to the obligations and duties of OWNER set forth herein, OWNER shall,
17 upon notice from COUNTY, promptly pay to COUNTY all fees and costs, including
18 administrative and attorneys’ fees, incurred by COUNTY in connection with responding to or
19 defending any discrimination claim brought by any third party and/or local, state or federal
20 government entity, arising out of or in connection with the Agreement or this Covenant.

21 8) INSURANCE. Without limiting or diminishing BORROWER’S obligation to
22 indemnify or hold COUNTY harmless, BORROWER or its general contractor for the Project
23 (“General Contractor”), shall procure and maintain or cause to be maintained, at its sole cost and
24 expense, the following insurance coverages during the Term of this Agreement.

25 a. Builder’s All Risk (Course of Construction) Insurance. BORROWER
26 shall cause General Contractor to provide a policy of Builder’s All Risk
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1 (Course of Construction) insurance coverage including (if the work is
2 located in an earthquake or flood zone or if required on financed or
3 bond financing arrangements) coverage for earthquake and flood,
4 covering the COUNTY, BORROWER and every subcontractor, of
5 every tier, for the entire Project, including property to be used in the
6 construction of the work while such property is at off-site storage
7 locations or while in transit or temporary off-site storage. Such policy
8 shall include, but not be limited to, coverage for fire, collapse, faulty
9 workmanship, debris removal, expediting expense, fire department
10 service charges, valuable papers and records, trees, grass, shrubbery
11 and plants. If scaffolding, false work and temporary buildings are
12 insured separately by the BORROWER or others, evidence of such
13 separate coverage shall be provided to County prior to the start of the
14 work. Such policy shall be written on an all risk basis and a completed
15 value form. Such policy shall cover the full insurable value. Such
16 policy shall also provide coverage for temporary structures (on-site
17 offices, etc.), fixtures, machinery and equipment being installed as part
18 of the work. BORROWER shall be responsible for any and all
19 deductibles under such policy. Upon request by COUNTY,
20 BORROWER shall declare all terms, conditions, coverages and limits
21 of such policy. Such policy shall name the COUNTY as a loss payee
22 as their interest may appear. If the County so provides, in its sole
23 discretion, the All Risk (Course of Construction) insurance for the
24 Project, then BORROWER shall assume the cost of any and all
25 applicable policy deductibles (currently, \$50,000 per occurrence) and
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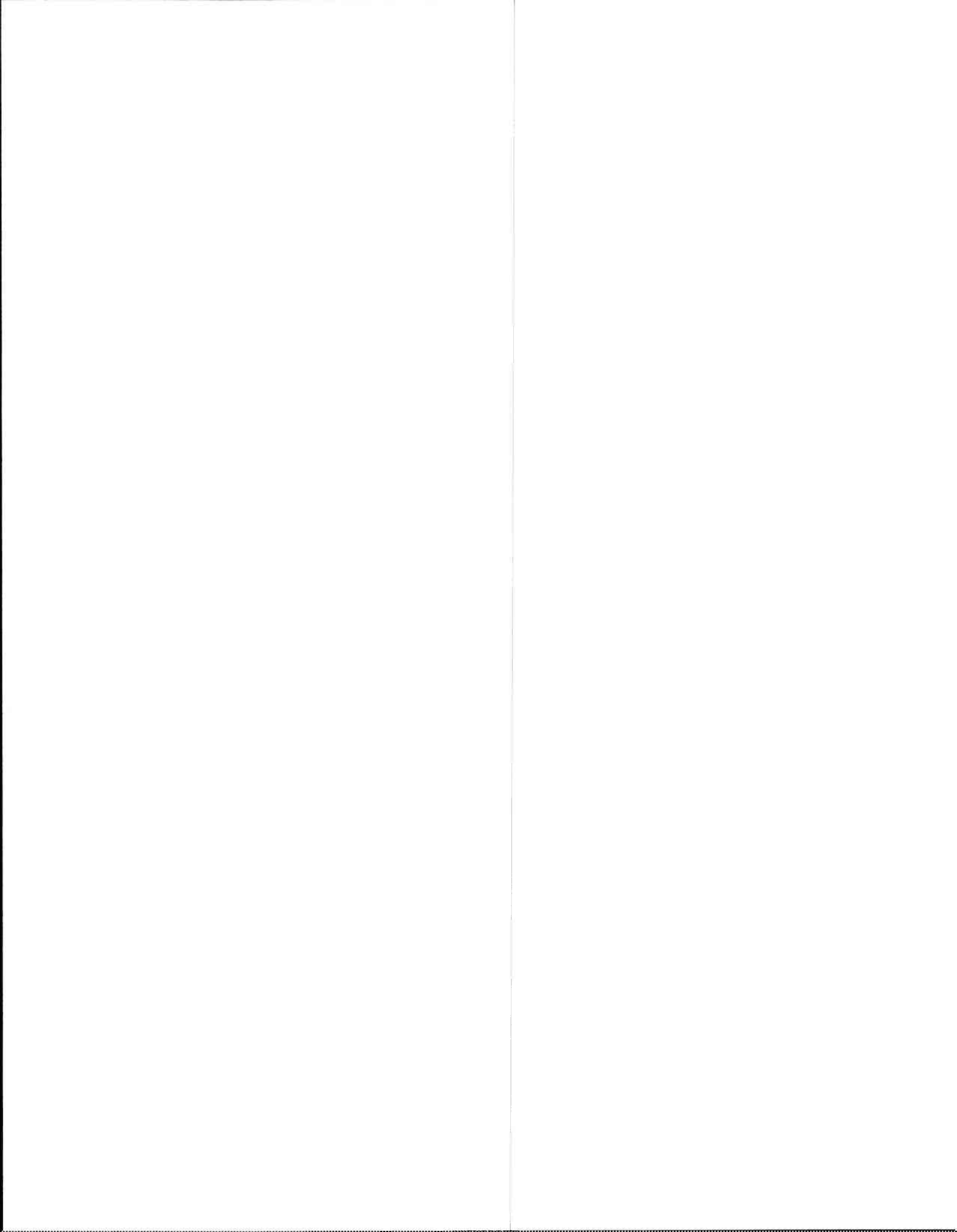


1 shall insure its own machinery, equipment, tools, etc. from any loss of
2 any nature whatsoever.

3 b. Workers' Compensation Insurance. If BORROWER or General Contractor
4 have employees as defined by the State of California, the CONTRACTOR
5 shall maintain statutory Workers' Compensation Insurance (Coverage A) as
6 prescribed by the laws of the State of California. Policy shall include
7 Employers' Liability (Coverage B) including Occupational Disease with limits
8 not less than \$1,000,000 per person per accident. The policy shall be endorsed
9 to waive subrogation in favor of The County of Riverside. Policy shall name
10 the COUNTY as Additional Insureds.

11 c. Commercial General Liability Insurance. Borrower shall maintain
12 Commercial General Liability insurance coverage, including but not limited
13 to, premises liability, unmodified contractual liability, products and completed
14 operations liability, personal and advertising injury, and cross liability
15 coverage, covering claims which may arise from or out of CONTRACTOR'S
16 performance of its obligations hereunder. Policy shall name the COUNTY as
17 Additional Insured. Policy's limit of liability shall not be less than \$2,000,000
18 per occurrence combined single limit. If such insurance contains a general
19 aggregate limit, it shall apply separately to this agreement or be no less than
20 two (2) times the occurrence limit. Policy shall name the COUNTY as
21 Additional Insureds.

22 d. Vehicle Liability Insurance. If vehicles or mobile equipment are used in the
23 performance of the obligations under this Agreement, then CONTRACTOR
24 shall maintain liability insurance for all owned, non-owned or hired vehicles
25 so used in an amount not less than \$1,000,000 per occurrence combined single
26 limit. If such insurance contains a general aggregate limit, it shall apply
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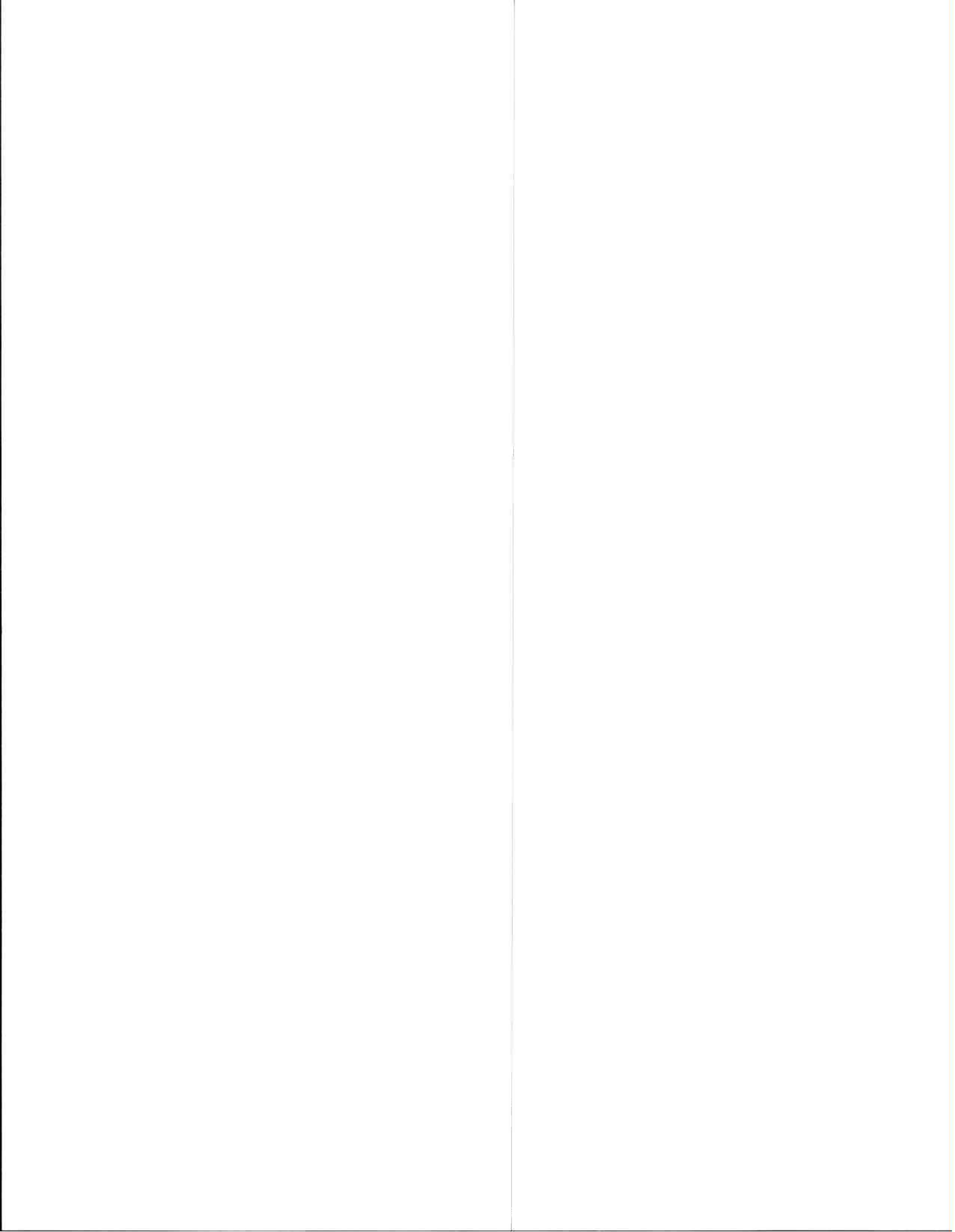
1 separately to this agreement or be no less than two (2) times the occurrence
2 limit. Policy shall name the COUNTY as Additional Insureds.

3 e. General Insurance Provisions – All Lines.

4 (i) Any insurance carrier providing insurance coverage hereunder shall be
5 admitted to the State of California and have an A M BEST rating of not
6 less than A: VIII (A:8) unless such requirements are waived, in writing,
7 by COUNTY Risk Manager. If COUNTY's Risk Manager waives a
8 requirement for a particular insurer such waiver is only valid for that
9 specific insurer and only for one policy term.

10 (ii) BORROWER, or Borrower on behalf of General Contractor, must
11 declare its insurance self-insured retentions. If such self-insured
12 retentions exceed \$500,000 per occurrence such retentions shall have
13 the prior written consent of COUNTY Risk Manager before the
14 commencement of operations under this Agreement. Upon notification
15 of self-insured retention unacceptable to COUNTY, and at the election
16 of COUNTY's Risk Manager, BORROWER's or General
17 Contractor's, as applicable, carriers shall either: (a) reduce or eliminate
18 such self-insured retention as respects this Agreement with COUNTY,
19 or (b) procure a bond which guarantees payment of losses and related
20 investigations, claims administration, and defense costs and expenses.

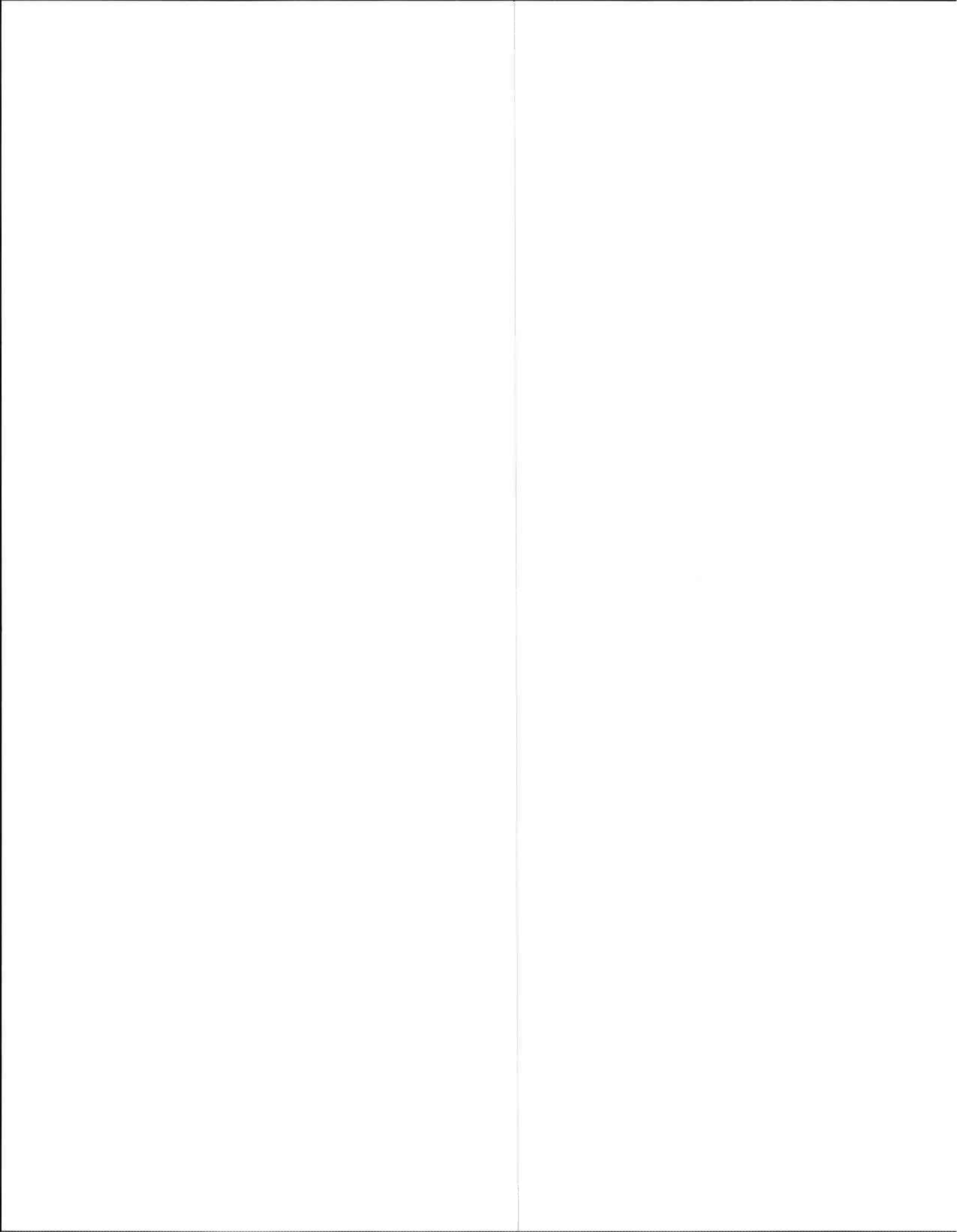
21 (iii) BORROWER shall cause BORROWER's and General Contractor's
22 insurance carrier(s) to furnish the County of Riverside with copies of
23 the Certificate(s) of Insurance and Endorsements effecting coverage as
24 required herein, and 2) if requested to do so orally or in writing by
25 COUNTY Risk Manager, provide copies of policies including all
26 Endorsements and all attachments thereto, showing such insurance is
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1 in full force and effect. Further, said Certificate(s) and policies of
2 insurance shall contain the covenant of the insurance carrier(s) that
3 thirty (30) days written notice shall be given to the County of Riverside
4 prior to any material modification, cancellation, expiration or reduction
5 in coverage of such insurance. In the event of a material modification,
6 cancellation, expiration, or reduction in coverage, this Agreement shall
7 terminate forthwith, unless the County of Riverside receives, prior to
8 such effective date, another Certificate of Insurance and copies of
9 endorsements, including all endorsements and attachments thereto
10 evidencing coverages set forth herein and the insurance required herein
11 is in full force and effect. BORROWER shall not commence
12 operations until COUNTY has been furnished Certificate(s) of
13 Insurance and copies of endorsements and if requested, copies of
14 policies of insurance including all endorsements and any and all other
15 attachments as required in this Section. An individual authorized by
16 the insurance carrier on its behalf shall sign the original endorsements
17 for each policy and the Certificate of Insurance.

18 (iv) It is understood and agreed to by the parties hereto that BORROWER's
19 insurance shall be construed as primary insurance, and COUNTY's
20 insurance and/or deductibles and/or self-insured retentions or self-
21 insured programs shall not be construed as contributory.

22 (v) If, during the term of this Agreement or any extension thereof, there is
23 a material change in the scope of services; or, there is a material change
24 in the equipment to be used in the performance of the scope of work
25 which will add additional exposures (such as the use of aircraft,
26 watercraft, cranes, etc.); or, the term of this Agreement, including any
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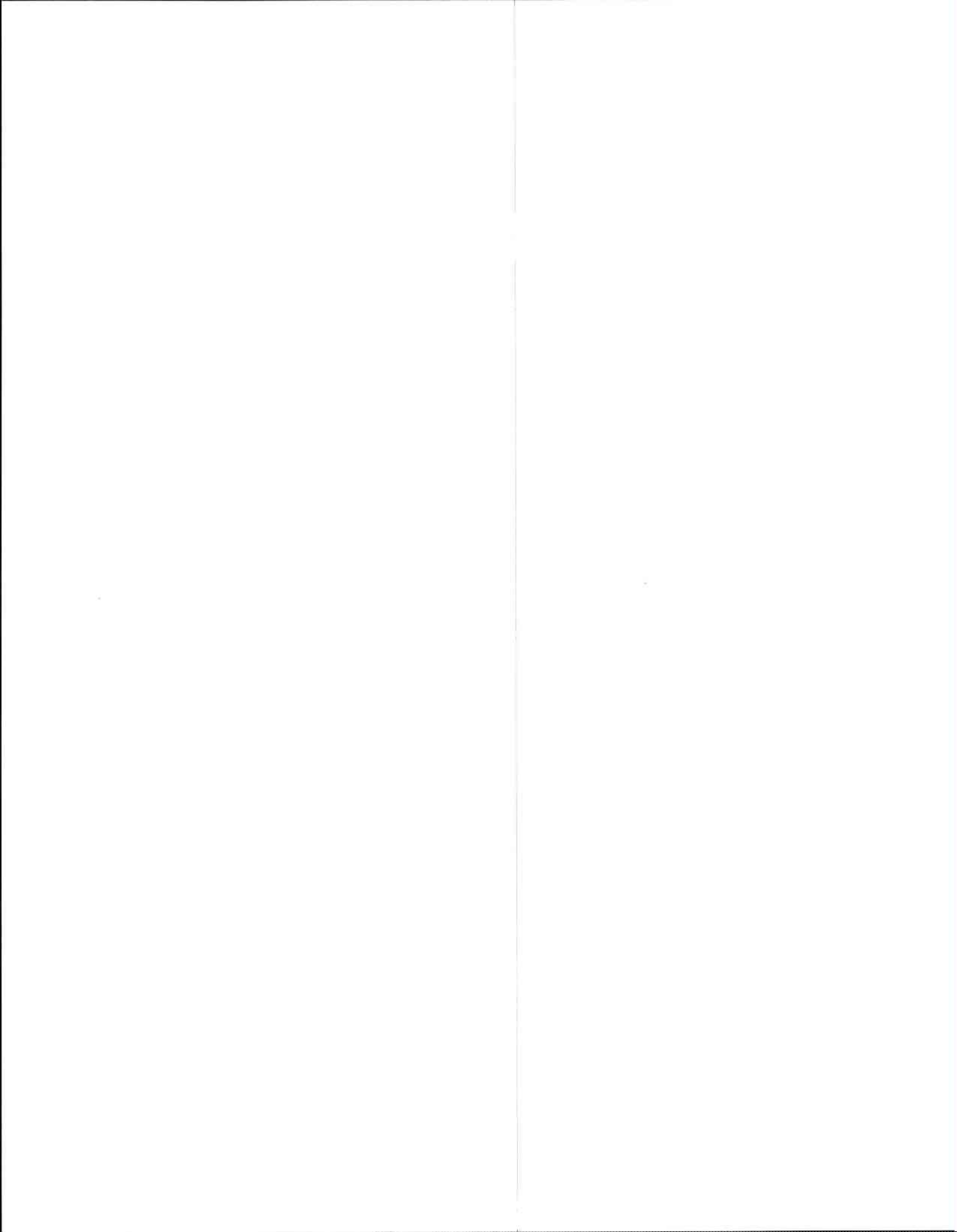
1 extensions thereof, exceeds five (5) years, COUNTY reserves the right
2 to adjust the types of insurance required under this Agreement and the
3 monetary limits of liability for the insurance coverages currently
4 required herein, if; in COUNTY Risk Manager's reasonable judgment,
5 the amount or type of insurance carried by BORROWER has become
6 inadequate.

7 (vi) BORROWER shall pass down the insurance obligations contained
8 herein to all tiers of subcontractors working under this Agreement.

9 (vii) The insurance requirements contained in this Agreement may be
10 met with a program(s) of self-insurance acceptable to COUNTY.

11 (viii) BORROWER agrees to notify COUNTY of any claim by a third
12 party or any incident or event that may give rise to a claim arising from
13 the performance of this Agreement.

14 9) HOLD HARMLESS/INDEMNIFICATION. OWNER shall indemnify and hold
15 harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their
16 respective directors, officers, Board of Supervisors, elected and appointed officials, employees,
17 agents and representatives (individually and collectively hereinafter referred to as Indemnitees)
18 from any liability whatsoever, based or asserted upon any services of OWNER, its officers,
19 employees, subcontractors, agents or representatives arising out of or in any way relating to this
20 Agreement, including but not limited to property damage, bodily injury, or death or any other
21 element of any kind or nature whatsoever arising from the performance of OWNER, its officers,
22 employees, subcontractors, agents or representatives Indemnitors from this Agreement. OWNER
23 shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees, cost
24 of investigation, defense and settlements or awards, the Indemnitees in any claim or action based
25 upon such alleged acts or omissions. With respect to any action or claim subject to indemnification
26 herein by OWNER shall, at their sole cost, have the right to use counsel of their own choice and
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1 shall have the right to adjust, settle, or compromise any such action or claim without the prior
2 consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in
3 no manner whatsoever limits or circumscribes OWNER's indemnification to Indemnitees as set
4 forth herein. OWNER's obligation hereunder shall be satisfied when OWNER has provided to
5 COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action
6 or claim involved. The specified insurance limits required in this Agreement shall in no way limit
7 or circumscribe OWNER's obligations to indemnify and hold harmless the Indemnitees herein
8 from third party claims. In the event there is conflict between this clause and California Civil Code
9 Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation
10 shall not relieve OWNER from indemnifying the Indemnitees to the fullest extent allowed by law.
11 The indemnification set forth in this paragraph 14 shall survive the expiration and earlier
12 termination of this Covenant.

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

17	<u>COUNTY</u>	<u>BORROWER</u>
18	Director HWS	Chief Executive Officer
19	County of Riverside	Young Scholars for Academic
20	3403 10 th Street, Suite 300	Empowerment, dba TruEvolution, Inc.
21	Riverside, CA 92501	4164 Brockton Ave., Suite A
		Riverside, CA 92501

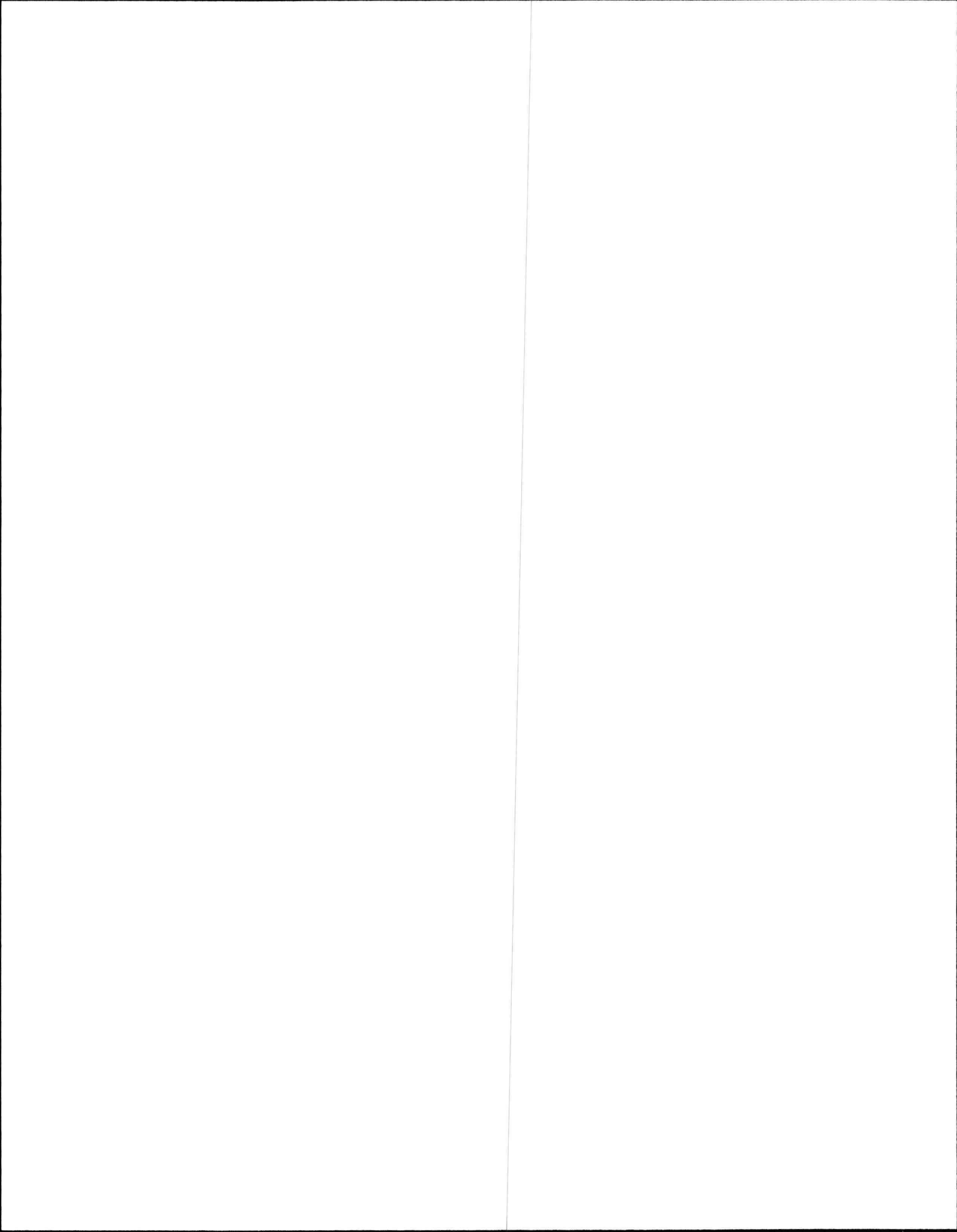
22 11) REMEDIES. COUNTY shall have the right, in the event of any breach of any such
23 agreement or covenant, to exercise all available rights and remedies, and to maintain any actions
24 at law or suit in equity or other proper proceedings to enforce the curing of such breach of
25 agreement or covenant.

26 12) TERM. The non-discrimination covenants, conditions and restrictions contained in
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1 **Sections 5, 6 and 7** of this Covenant shall remain in effect in perpetuity. Every other covenant,
2 condition and restriction contained in this Covenant shall continue in full force and effect for the
3 Term, as defined in **Section 1** of this Covenant.

4 13) NOTICE AND OPPORTUNITY TO CURE. Prior to exercising any remedies
5 hereunder, the COUNTY shall give OWNER notice of such default pursuant to **section 10** above.
6 Any monetary default shall be cured within ten (10) days of delivery of written notice. Except as
7 otherwise set forth herein, if a non-monetary default is reasonably capable of being cured within
8 thirty (30) days of delivery of such notice of default, OWNER shall have such period to effect a
9 cure prior to exercise of remedies by COUNTY. If the non-monetary default is such that it is not
10 reasonably capable of being cured within thirty (30) days of delivery of such notice of default, and
11 OWNER (a) initiates corrective action within said period, and (b) diligently, continually, and in
12 good faith works to effect a cure as soon as possible, then OWNER shall have such additional time
13 as is reasonably necessary to cure the default prior to exercise of any remedies by the COUNTY;
14 but in no event no later than sixty (60) days from delivery of such notice of default, subject to force
15 majeure (including government restrictions, pandemics, and acts of God). COUNTY, upon
16 providing OWNER with any notice of default under this Covenant, shall, within a reasonable time,
17 provide a copy of such default notice to a Permitted Lender who has given written notice to
18 COUNTY of its interest in the Property and Project. From and after such notice has been delivered
19 to a Permitted Lender and the Owner's limited partner, such Permitted Lender shall have the same
20 period for remedying the default complained of as the cure period provided to OWNER pursuant
21 to this **Section 13**. COUNTY shall accept performance by a Permitted Lender or limited partner
22 of Owner as if the same had been done by OWNER.

23 14) If a violation of any of the covenants or provisions of this Covenant remains
24 uncured after the respective time period set forth in this **Section 14**, COUNTY and its successors
25 and assigns, without regard to whether COUNTY or its successors and assigns is an owner of any
26 land or interest therein to which these covenants relate, may institute and prosecute any
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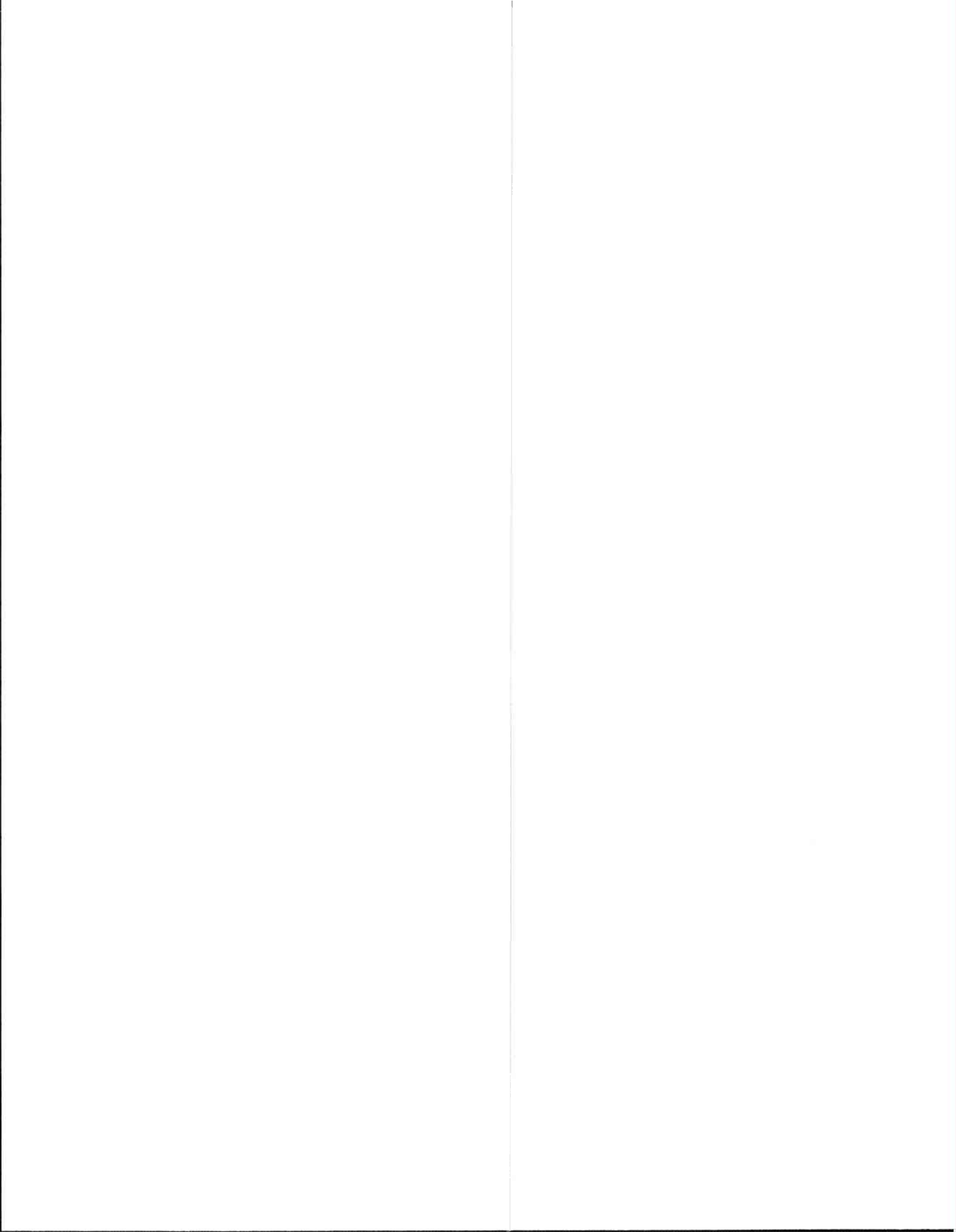
1 proceedings at law or in equity to abate, prevent or enjoin any such violation or attempted violation
2 or to compel specific performance by OWNER of its obligations hereunder. No delay in enforcing
3 the provisions hereof as to any breach or violation shall impair, damage or waive the right of any
4 party entitled to enforce the provisions hereof or to obtain relief against or recover for the
5 continuation or repetition of such breach or violations or any similar breach or violation hereof at
6 any later time.

7 15) Any cure tendered by Owner's limited partner shall be accepted or rejected on the
8 same basis as if tendered by OWNER.

9 16) SALE, ASSIGNMENT OR TRANSFER OF THE PROJECT OR PROPERTY.
10 OWNER hereby covenants and agrees not to sell, transfer, assign or otherwise dispose of the
11 Project, the Property or any portion thereof, without obtaining the prior written consent of
12 COUNTY, in its sole discretion. Any sale, assignment, or transfer of the Project or Property, shall
13 be memorialized an assignment and assumption agreement the form and substance of which have
14 been first approved in writing by the COUNTY in its sole discretion. Such assignment and
15 assumption agreement shall, among other things, provide that the transferee has assumed in writing
16 and in full, and is reasonably capable of performing and complying with OWNER's duties and
17 obligations under the ARPA Loan Agreement and this Covenant, provided, however OWNER
18 shall not be released of all obligations under the ARPA Loan Agreement and this Covenant.

19 17) AMENDMENTS OR MODIFICATIONS. This Covenant may be changed or
20 modified only by a written amendment signed by authorized representatives of both parties.

21 18) GOVERNING LAW; VENUE; SEVERABILITY. This Covenant shall be
22 governed by the laws of the State of California. Any legal action related to the performance or
23 interpretation of this Covenant shall be filed only in the Superior Court of the State of California
24 located in Riverside, California, and the parties waive any provision of law providing for a change
25 of venue to another location. In the event any provision in this Covenant is held by a court of
26 competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will
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1 nevertheless continue in full force without being impaired or invalidated in any way.

2 19) BINDING EFFECT. The rights and obligations of this Covenant shall bind and
3 inure to the benefit of the respective heirs, successors and assigns of the parties.

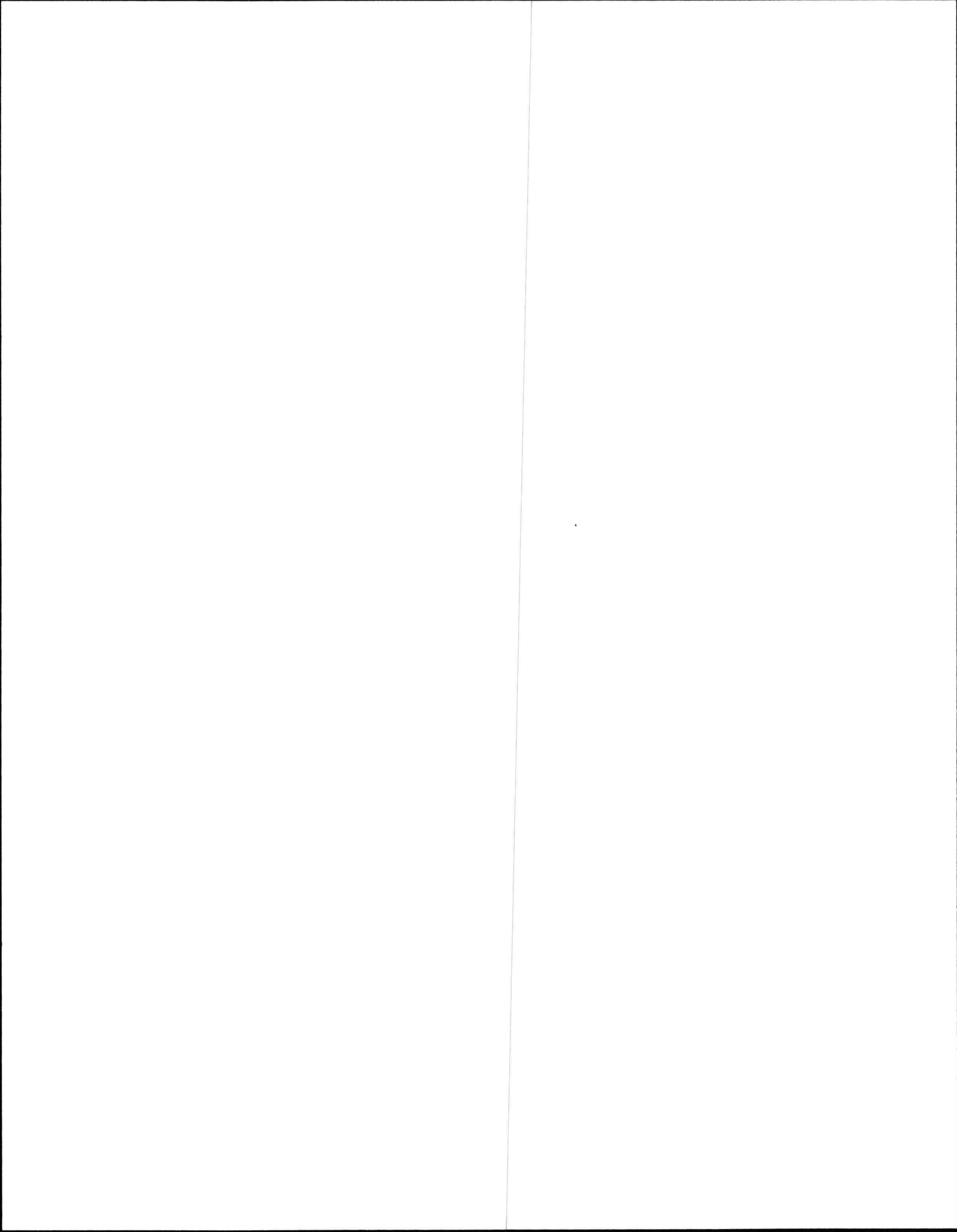
4 20) PERMITTED MORTGAGES. No violation or breach of the covenants, conditions,
5 restrictions, provisions or limitations contained in this Covenant shall defeat or render invalid or
6 in any way impair the lien or charge of any deed of trust or mortgage permitted by the ARPA Loan
7 Agreement or the lien or charge of a deed of trust made by OWNER for the benefit of any lender
8 first approved in writing by the COUNTY (each, a "Permitted Lender") and nothing herein or in
9 the ARPA Loan Agreement shall prohibit or otherwise limit the exercise of a Permitted Lender's
10 rights and remedies thereunder, including a foreclosure or deed-in-lieu of foreclosure and
11 subsequent transfer thereafter.

12 21) SEVERABILITY. In any event that any provision, whether constituting a separate
13 paragraph or whether contained in a paragraph with other provisions, is hereafter determined to be
14 void and unenforceable, it shall be deemed separated and deleted from the agreement and the
15 remaining provisions of this Agreement shall remain in full force and effect.

16 22) PROJECT MONITORING AND EVALUATION.

17 a) Reserved.

18 b) Inspections. During the Affordability Period, COUNTY must perform on-
19 site inspections of ARPA-Assisted Units to determine compliance with the property standards.
20 The on-site inspections shall occur within twelve (12) months after Covenant Agreement and at
21 least once every three (3) years thereafter during the Affordability Period. If there are observed
22 deficiencies for any of the inspectable items in the property standards established by COUNTY,
23 a follow-up on-site inspection to verify that deficiencies are corrected must occur within twelve
24 (12) months. COUNTY may establish a list of non-hazardous deficiencies for which correction
25 can be verified by third party documentation (e.g., paid invoice for work order) rather than re-
26 inspection. Health and safety deficiencies must be corrected immediately. COUNTY must adopt



1 a more frequent inspection schedule for properties that have been found to have health and safety
2 deficiencies. The property owner must annually certify to the COUNTY that each building and
3 all ARPA Assisted Units in the project are suitable for occupancy, taking into account State and
4 local health, safety, and other applicable codes, ordinances, and requirements, and the ongoing
5 property standards established by the participating jurisdiction. Inspections must be based on a
6 statistically valid sample of units appropriate for the size of the COUNTY ARPA-Assisted
7 project, as set forth by HUD through notice.

8 23) ACCESS TO PROJECT SITE. Representatives of the COUNTY and HUD shall
9 have the right of access to the Property, upon 24 hours' written notice to OWNER (except in the
10 case of an emergency, in which case COUNTY and/or HUD shall provide such notice as may be
11 practical under the circumstances), without charges or fees, during normal business hours to review
12 the operation of the Project in accordance with this Covenant and the Agreement.

13 24) COUNTERPARTS. This Covenant may be signed by the different parties hereto in
14 counterparts, each of which shall be an original, but all of which together shall constitute one and
15 the same agreement.

16 25) Recitals. The Recitals set forth above are true and correct and incorporated herein
17 by this reference.

18 26) This Covenant and the Agreement set forth and contain the entire understanding
19 and agreement of the parties hereto. There are no oral or written representations, understandings,
20 or ancillary covenants, undertakings or agreements, which are not contained or expressly referred
21 to within this Covenant, and the Agreement, including all amendments and modifications to the
22 Agreement.

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24
25 [Remainder of Page Intentionally Blank]

26 [SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, COUNTY and OWNER have executed this Covenant as of the dates written below.

COUNTY:

BORROWER:

COUNTY OF RIVERSIDE, a political subdivision of the State of California

Young Scholars for Academic Empowerment, dba TruEvolution Inc., a California nonprofit public benefit corporation

By: **form - do not sign**
Heidi Marshall, Director HHPWS

By: **form - do not sign**
Gabriel Maldonado, Chief Executive Officer

Date: _____

Date: _____

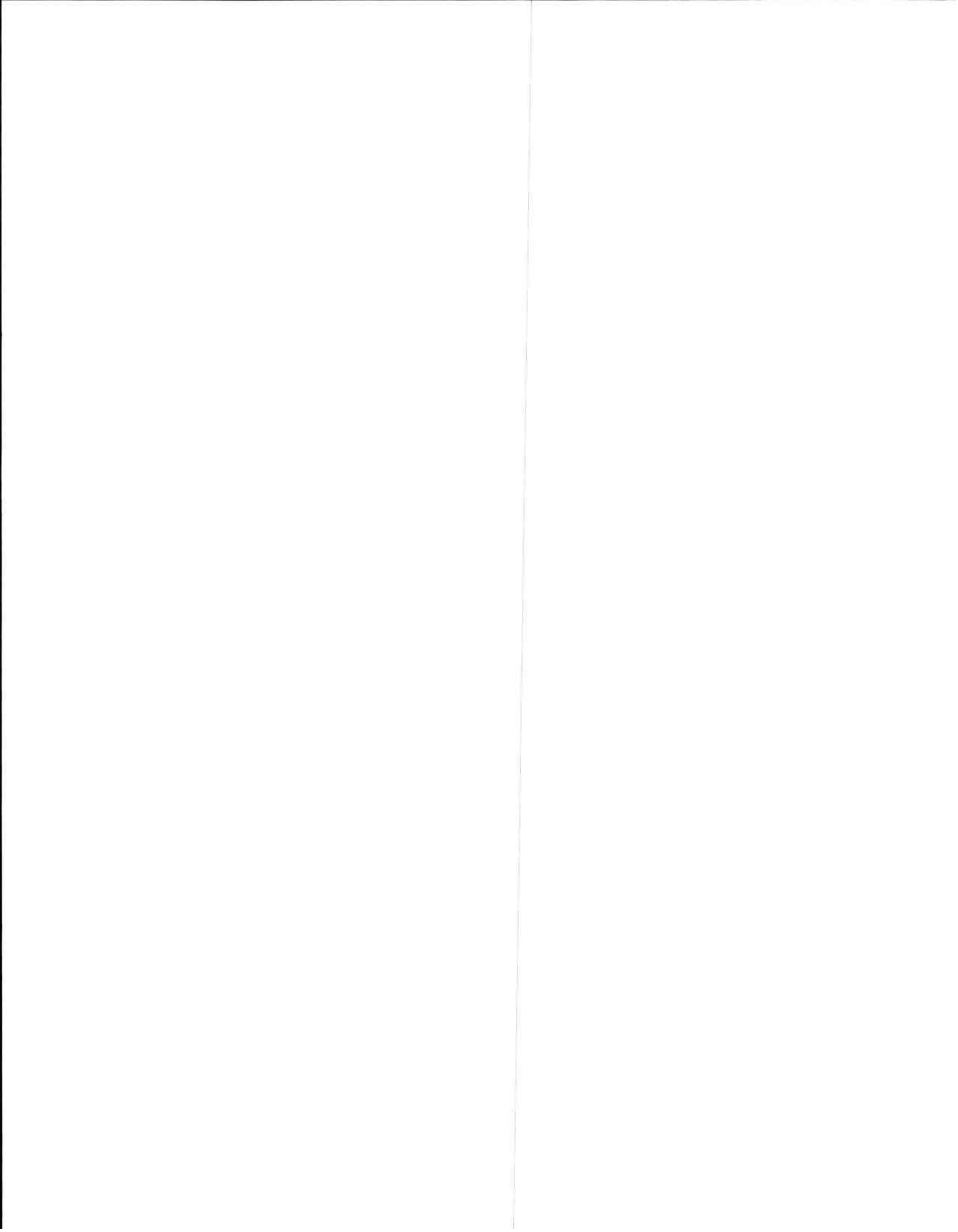
(Above signatures need to be notarized)

APPROVED AS TO FORM:

County Counsel

By: _____
Deputy County Counsel

(COUNTY and OWNER signatures need to be notarized)



< CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT >

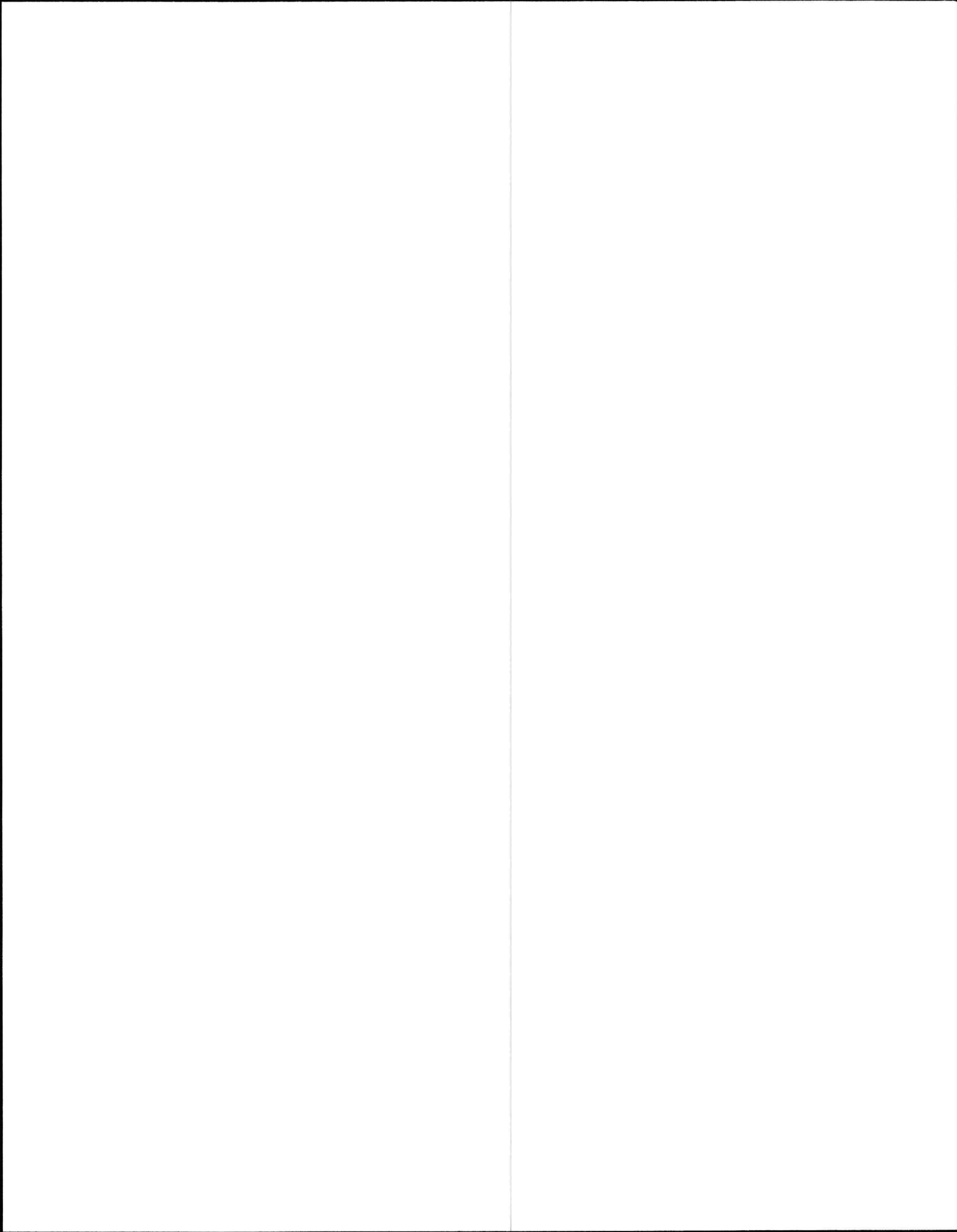


EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

Real property in the City of Riverside, County of Riverside, State of California, described as follows:

PARCEL 1:

THE REAL PROPERTY IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS BEGINNING AT A POINT ON THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 80 FEET WESTERLY FROM THE NORTHEASTERLY CORNER OF BLOCK 8, RANGE 11, TOWN OF RIVERSIDE, AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY;

THENCE SOUTHERLY PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 98 FEET;

THENCE AT A RIGHT ANGLE WESTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 50 FEET;

THENCE AT A RIGHT ANGLE NORTHERLY, PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 98 FEET TO THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE);

THENCE EASTERLY, ON SAID SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 50 FEET, TO THE POINT OF BEGINNING.

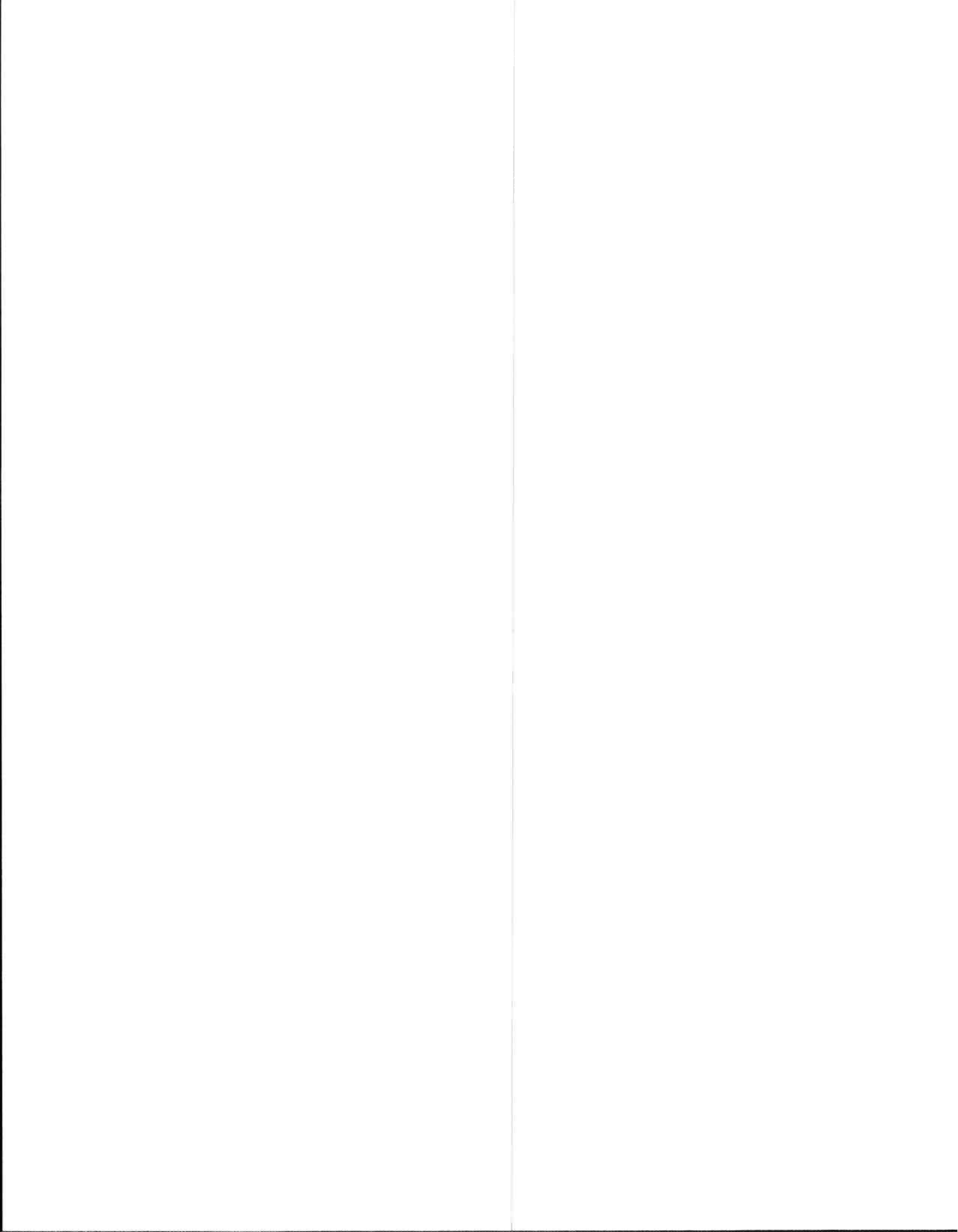
PARCEL 2:

PARCEL A AS SHOWN ON PARCEL MERGER P07-0270, AS EVIDENCED BY DOCUMENT RECORDED DECEMBER 07, 2007 AS INSTRUMENT NO. 2007-0733731, OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEING A PORTION OF BLOCK 8, RANGE 11, OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE;

THENCE SOUTH 29°00'00" WEST ALONG THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) AS SHOWN ON PARCEL MAP 7811 BY ~~MAP RECORDED IN BOOK 25 OF PARCEL MAPS AT PAGE 67, RECORDS OF~~



RIVERSIDE COUNTY, CALIFORNIA, A DISTANCE OF 98.00 FEET TO THE MOST EASTERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED BY DEED TO THE CITY OF RIVERSIDE RECORDED JULY 7, 1961 AS INSTRUMENT NO. 58133, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE NORTH 60°55'45" WEST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET) AS SHOWN ON SAID PARCEL MAP 7811, A DISTANCE OF 11.00 FEET TO THE MOST NORTHERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED BY DEED TO THE CITY OF RIVERSIDE RECORDED OCTOBER 29, 1982 AS INSTRUMENT NO. 188647, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE SOUTH 29°00'00" WEST, ALONG THE NORTHWESTERLY LINE OF SAID DEED TO THE CITY OF RIVERSIDE, RECORDED OCTOBER 29, 1982, A DISTANCE OF 50.00 FEET TO THE SOUTHWESTERLY LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO OWEN C, LOCKE ET UX., BY DEED RECORDED FEBRUARY 8, 1958 AS INSTRUMENT NO. 12203, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE NORTH 60°55'45" WEST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 139.00 FEET;

THENCE NORTH 29°00'00" EAST, PARALLEL WITH THE WESTERLY LINE OF BROCKTON STREET (FORMERLY WALNUT STREET), A DISTANCE OF 50.00 FEET;

THENCE SOUTH 60°55'45" EAST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 70.00 FEET;

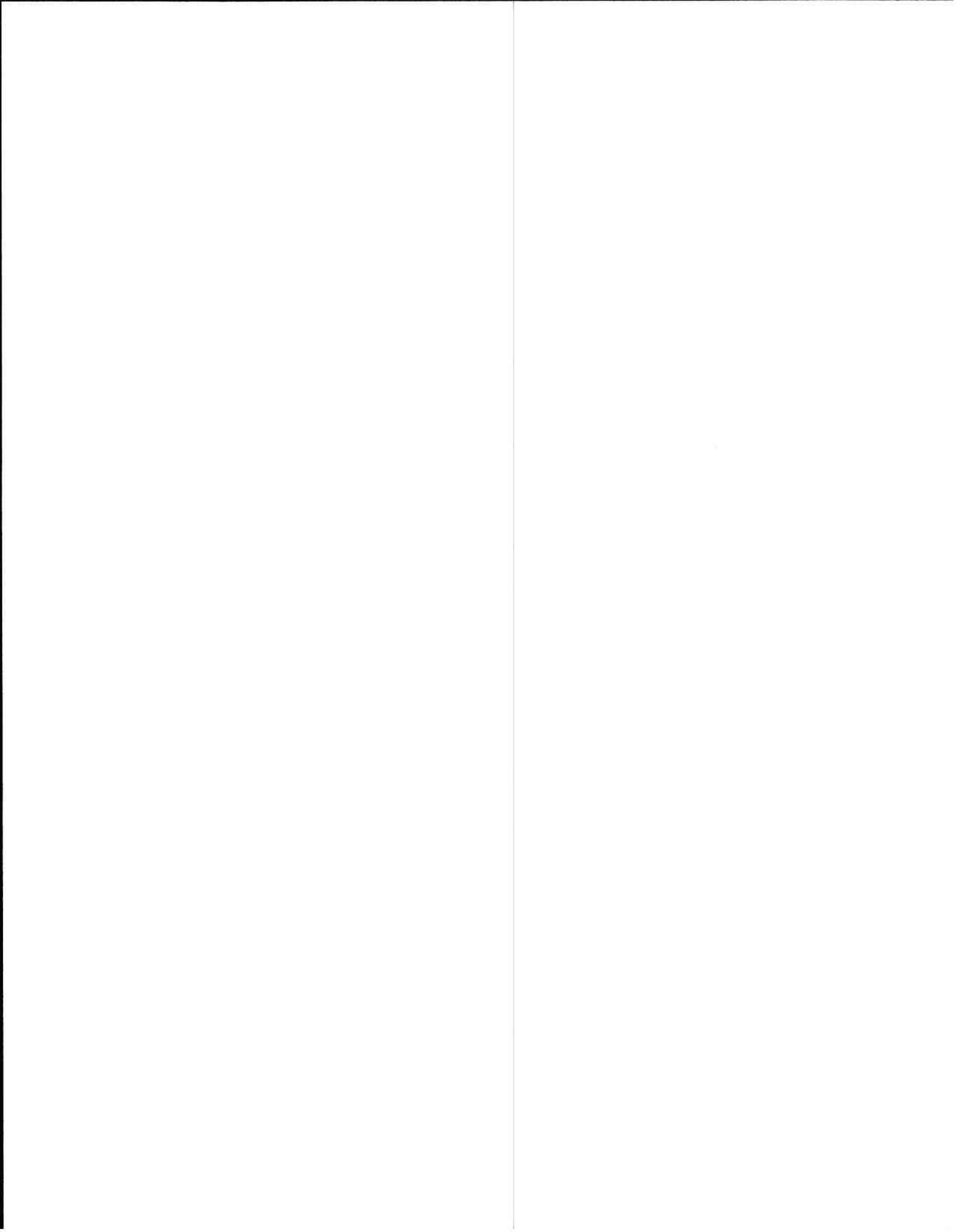
THENCE NORTH 29°00'00" EAST, PARALLEL WITH THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET), A DISTANCE OF 98.00 FEET;

THENCE SOUTH 60°55'45" EAST, ALONG THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE, LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT DISTANT NORTH 60°55'45" WEST, A DISTANCE OF 30.02 FEET MEASURED ALONG THE SOUTHERLY LINE OF SAID UNIVERSITY AVENUE (FORMERLY 8TH STREET) FROM THE MOST EASTERLY CORNER OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE;

THENCE SOUTH 19°08'18" EAST, A DISTANCE OF 25.54 FEET TO A LINE PARALLEL WITH AND 44.00 FEET NORTHWESTERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SAID BROCKTON AVENUE (FORMERLY WALNUT STREET);



THENCE SOUTH 29°00'00" WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 130.98 FEET TO THE SOUTHWESTERLY LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO SAID OWEN C. LOCKE ET UX., BEING THE TERMINATION OF SAID LINE DESCRIPTION.

PARCEL 3:

THAT PORTION OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, SAN BERNARDINO COUNTY RECORDS BY METES AND BOUNDS BEGINNING AT A POINT ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET NORTHERLY FROM THE SOUTHEASTERLY CORNER OF BLOCK 8;

THENCE WESTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 165 FEET;

THENCE NORTHERLY, PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 50 FEET;

THENCE EASTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 165 FEET;

THENCE SOUTHERLY ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 50 FEET, TO THE POINT OF BEGINNING.

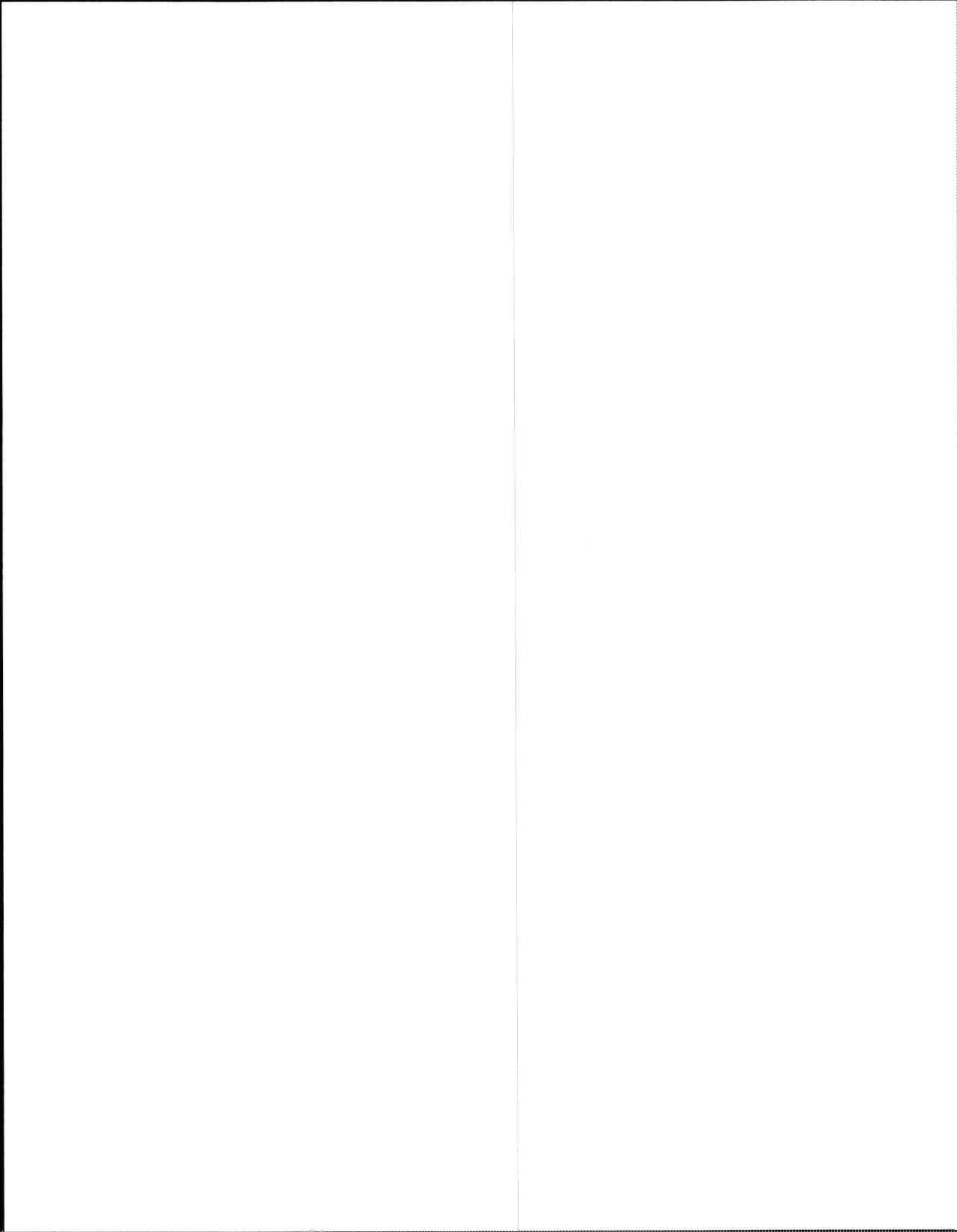
PARCEL 4:

THAT PORTION OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING ON THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) 94.6 FEET NORTHERLY OF THE SOUTHEAST CORNER OF SAID BLOCK 8, RANGE 11 OF TOWN OF RIVERSIDE;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE NORTHERLY AT A RIGHT ANGLE AND PARALLEL WITH THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) 37.4 FEET;



THENCE EASTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET; THENCE SOUTHERLY 37.4 FEET TO THE POINT OF BEGINNING.

PARCEL 5:

THAT PORTION OF BLOCK 8 OF RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, SAN BERNARDINO COUNTY RECORDS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 55 FEET NORTHERLY FROM THE SOUTHEAST CORNER OF SAID BLOCK 8;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE AT A RIGHT ANGLE NORTHERLY PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 39.6 FEET;

THENCE AT A RIGHT ANGLE EASTERLY PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE SOUTHERLY ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 39.6 FEET TO THE POINT OF BEGINNING.

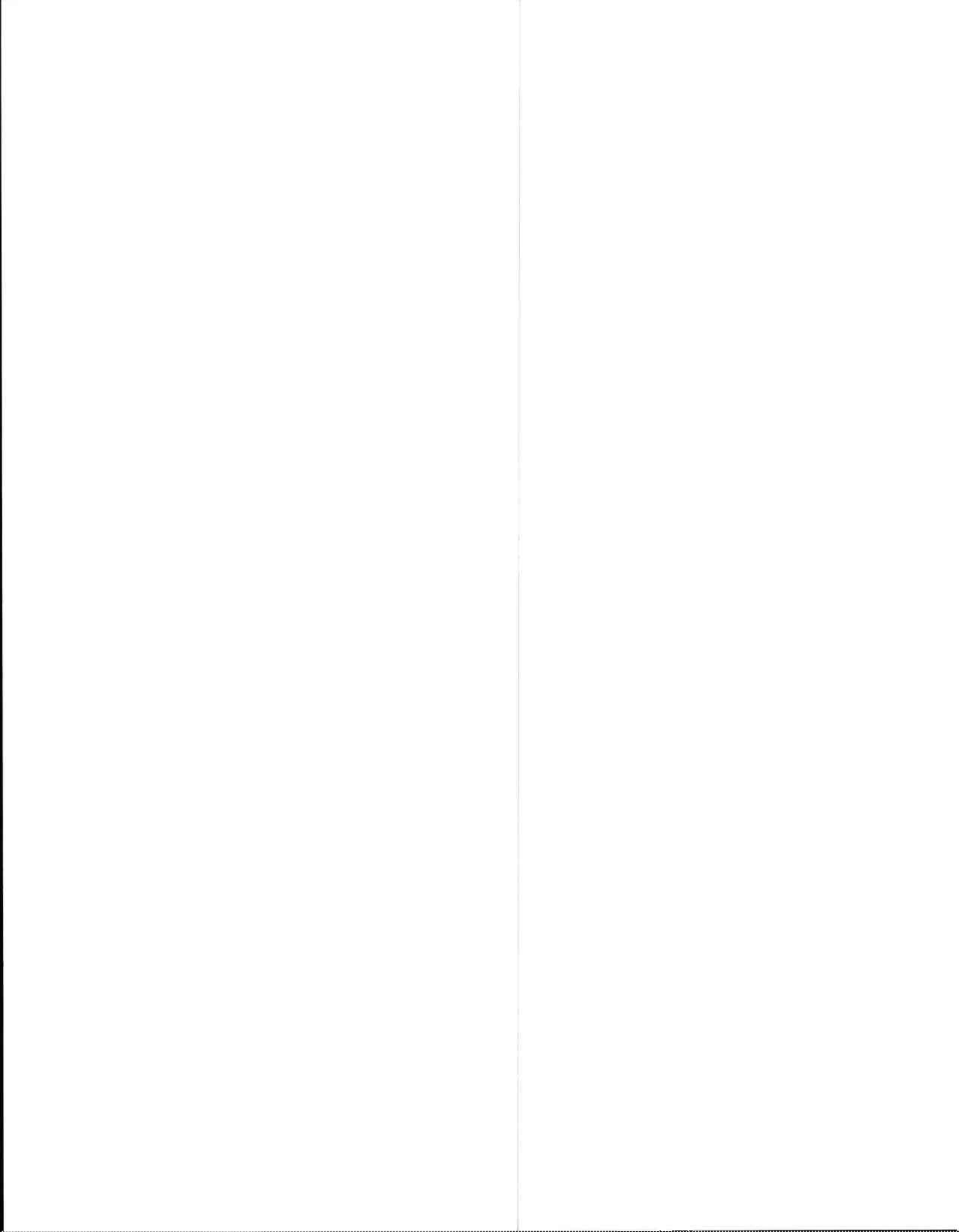
PARCEL 6:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF NINTH STREET, 120 FEET WESTERLY FROM THE SOUTHEASTERLY CORNER OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA;

THENCE AT A RIGHT ANGLE NORTHERLY AND PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 45 FEET;

THENCE AT A RIGHT ANGLE SOUTHERLY AND PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET TO THE NORTHERLY LINE OF NINTH STREET;



THENCE EASTERLY ALONG THE NORTHERLY LINE OF NINTH STREET, 45
FEET TO THE POINT OF BEGINNING.

APNs: 214-292-005

214-292-008

214-292-009

214-292-010

214-292-013

214-292-022

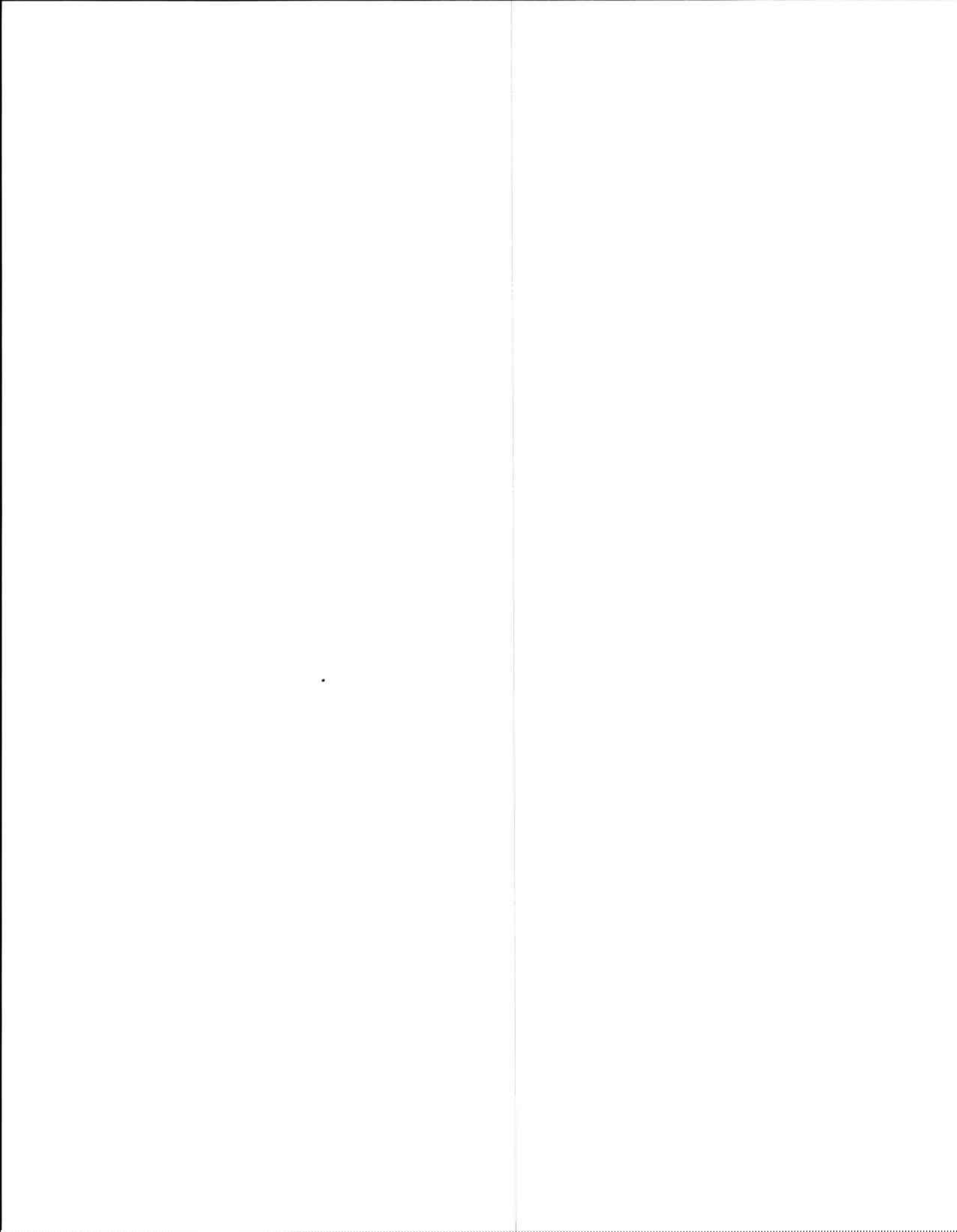
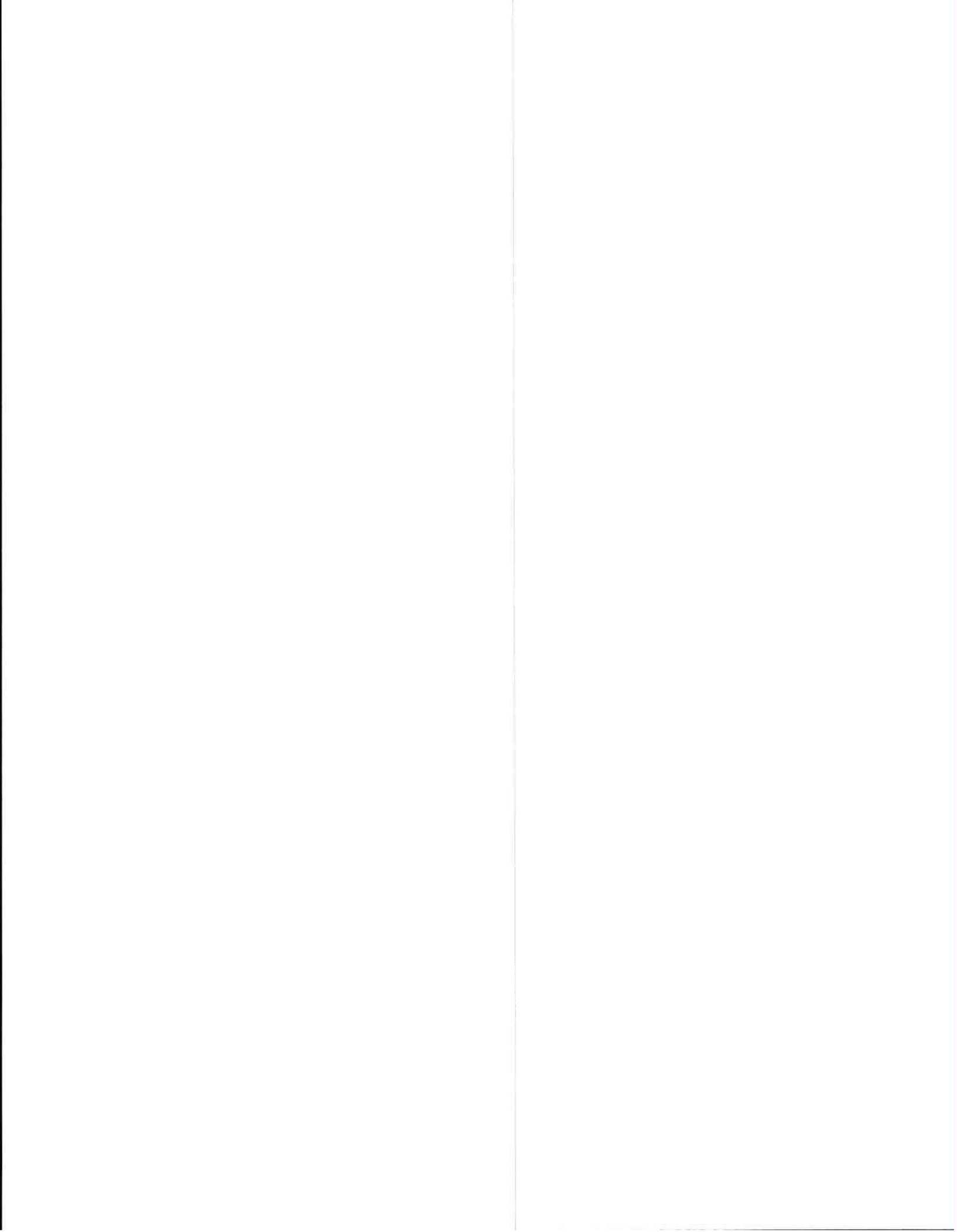


EXHIBIT “F”

Request for Notices



NO FEE FOR RECORDING PURSUANT
TO GOVERNMENT CODE SECTION 6103

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

County of Riverside
Housing and Workforce Solutions
3403 10th Street, Suite 300
Riverside, CA 92501
Attn: Juan Garcia

SPACE ABOVE THIS LINE FOR RECORDERS USE

REQUEST for NOTICE UNDER SECTION 2924b CIVIL CODE

In accordance with Civil Code, Section 2924b, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust dated _____, 2022 and recorded concurrently herewith in the Official Records of the County of Riverside, California, executed by _____, a _____, as Trustor in which YOUNG SCHOLARS FOR ACADEMIC EMPOWERMENT, dba TRUEEVOLUTION, INC., a California nonprofit public benefit corporation, and First American Title Company as Trustee, and describing land referred to in this Report is situated in the County of Riverside, State of California, and is described as follows:

Real property in the County of Riverside, State of California, described as follows:

LEGAL DESCRIPTION

Real property in the City of Riverside, County of Riverside, State of California, described as follows:

PARCEL 1:

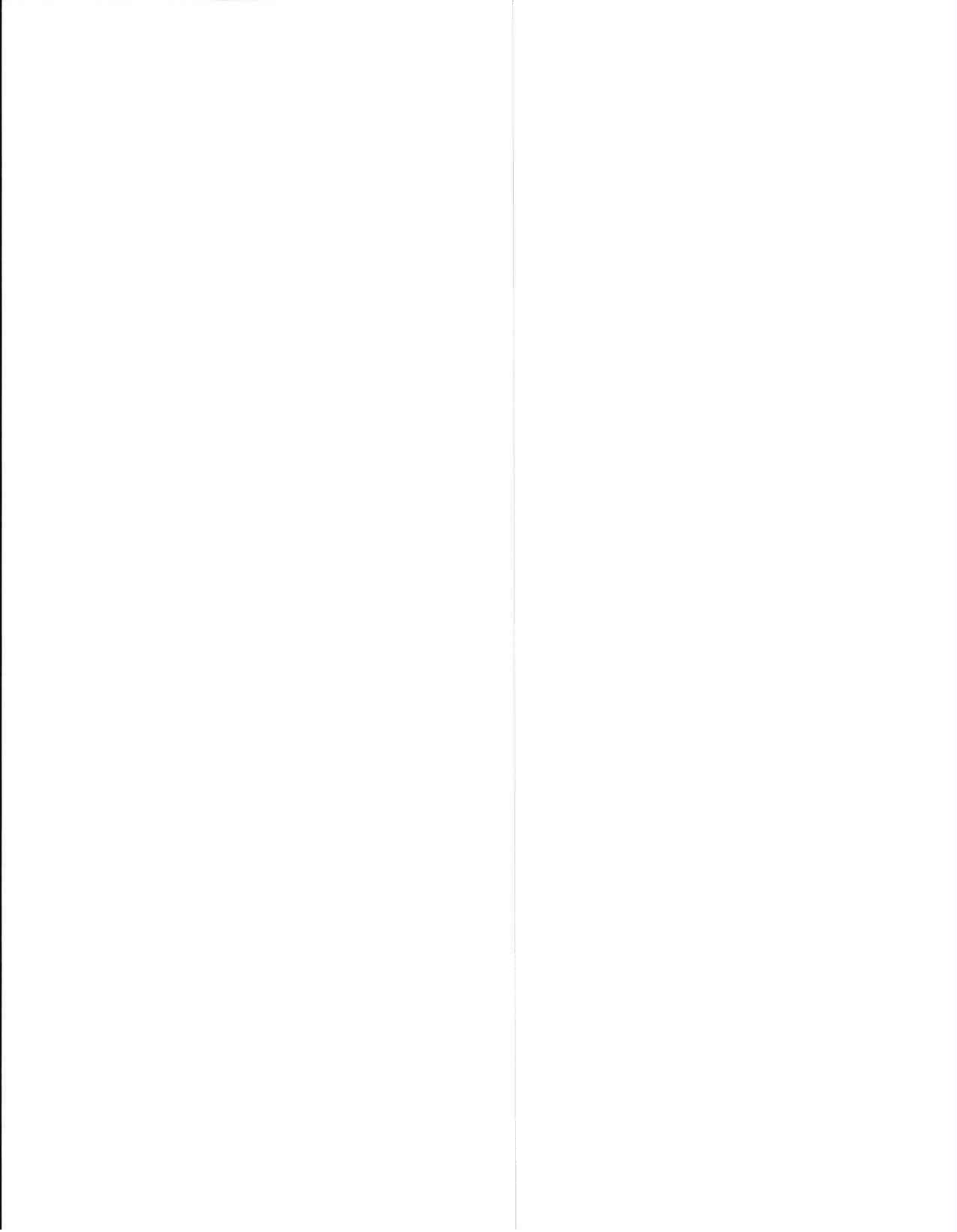
THE REAL PROPERTY IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS BEGINNING AT A POINT ON THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 80 FEET WESTERLY FROM THE NORTHEASTERLY CORNER OF BLOCK 8, RANGE 11, TOWN OF RIVERSIDE, AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY;

THENCE SOUTHERLY PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 98 FEET;

THENCE AT A RIGHT ANGLE WESTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 50 FEET;

THENCE AT A RIGHT ANGLE NORTHERLY, PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 98 FEET TO THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE);

THENCE EASTERLY, ON SAID SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 50 FEET, TO THE POINT OF BEGINNING.



PARCEL 2:

PARCEL A AS SHOWN ON PARCEL MERGER P07-0270, AS EVIDENCED BY DOCUMENT RECORDED DECEMBER 07, 2007 AS INSTRUMENT NO. 2007-0733731, OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEING A PORTION OF BLOCK 8, RANGE 11, OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE;

THENCE SOUTH 29°00'00" WEST ALONG THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) AS SHOWN ON PARCEL MAP 7811 BY MAP RECORDED IN BOOK 25 OF PARCEL MAPS AT PAGE 67, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, A DISTANCE OF 98.00 FEET TO THE MOST EASTERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED BY DEED TO THE CITY OF RIVERSIDE RECORDED JULY 7, 1961 AS INSTRUMENT NO. 58133, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE NORTH 60°55'45" WEST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET) AS SHOWN ON SAID PARCEL MAP 7811, A DISTANCE OF 11.00 FEET TO THE MOST NORTHERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED BY DEED TO THE CITY OF RIVERSIDE RECORDED OCTOBER 29, 1982 AS INSTRUMENT NO. 188647, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE SOUTH 29°00'00" WEST, ALONG THE NORTHWESTERLY LINE OF SAID DEED TO THE CITY OF RIVERSIDE, RECORDED OCTOBER 29, 1982, A DISTANCE OF 50.00 FEET TO THE SOUTHWESTERLY LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO OWEN C, LOCKE ET UX., BY DEED RECORDED FEBRUARY 8, 1958 AS INSTRUMENT NO. 12203, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

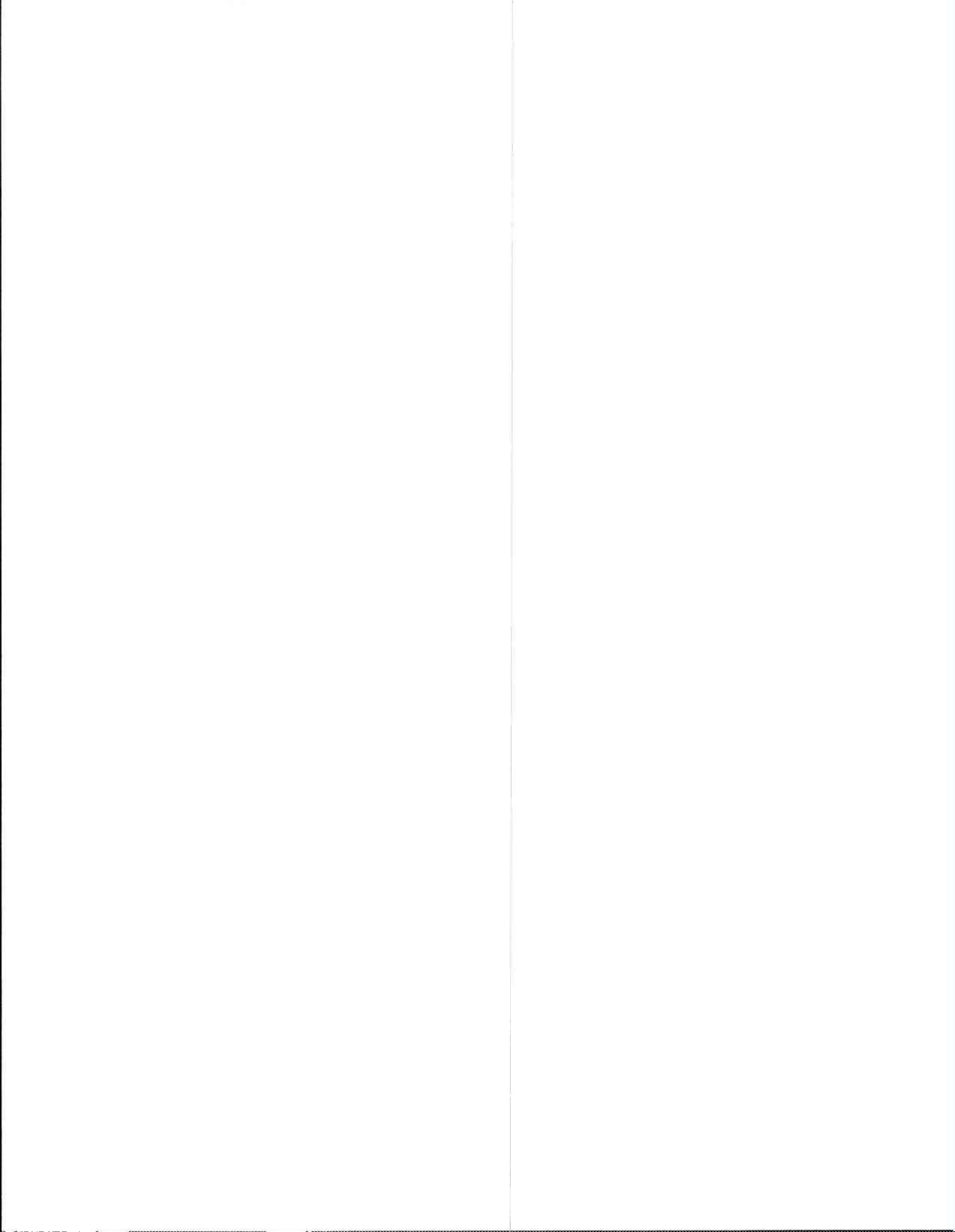
THENCE NORTH 60°55'45" WEST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 139.00 FEET;

THENCE NORTH 29°00'00" EAST, PARALLEL WITH THE WESTERLY LINE OF BROCKTON STREET (FORMERLY WALNUT STREET), A DISTANCE OF 50.00 FEET;

THENCE SOUTH 60°55'45" EAST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 70.00 FEET;

THENCE NORTH 29°00'00" EAST, PARALLEL WITH THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET), A DISTANCE OF 98.00 FEET;

THENCE SOUTH 60°55'45" EAST, ALONG THE SOUTHERLY LINE OF UNIVERSITY



AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE, LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT DISTANT NORTH 60°55'45" WEST, A DISTANCE OF 30.02 FEET MEASURED ALONG THE SOUTHERLY LINE OF SAID UNIVERSITY AVENUE (FORMERLY 8TH STREET) FROM THE MOST EASTERLY CORNER OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE;

THENCE SOUTH 19°08'18" EAST, A DISTANCE OF 25.54 FEET TO A LINE PARALLEL WITH AND 44.00 FEET NORTHWESTERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SAID BROCKTON AVENUE (FORMERLY WALNUT STREET);

THENCE SOUTH 29°00'00" WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 130.98 FEET TO THE SOUTHWESTERLY LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO SAID OWEN C. LOCKE ET UX., BEING THE TERMINATION OF SAID LINE DESCRIPTION.

PARCEL 3:

THAT PORTION OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, SAN BERNARDINO COUNTY RECORDS BY METES AND BOUNDS BEGINNING AT A POINT ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET NORTHERLY FROM THE SOUTHEASTERLY CORNER OF BLOCK 8;

THENCE WESTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 165 FEET;

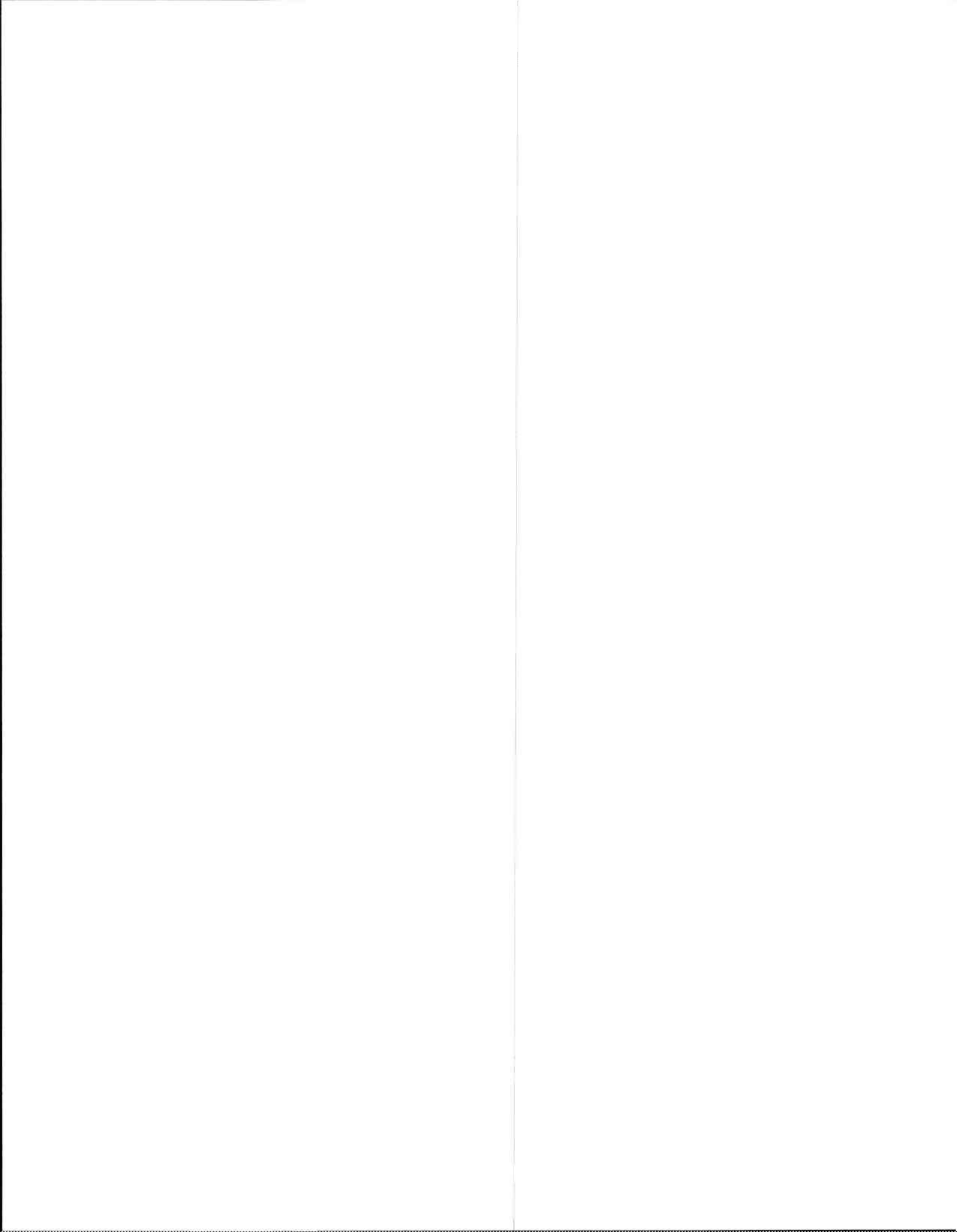
THENCE NORTHERLY, PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 50 FEET;

THENCE EASTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 165 FEET;

THENCE SOUTHERLY ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 50 FEET, TO THE POINT OF BEGINNING.

PARCEL 4:

THAT PORTION OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:



BEGINNING ON THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) 94.6 FEET NORTHERLY OF THE SOUTHEAST CORNER OF SAID BLOCK 8, RANGE 11 OF TOWN OF RIVERSIDE;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE NORTHERLY AT A RIGHT ANGLE AND PARALLEL WITH THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) 37.4 FEET;

THENCE EASTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET; THENCE SOUTHERLY 37.4 FEET TO THE POINT OF BEGINNING.

PARCEL 5:

THAT PORTION OF BLOCK 8 OF RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, SAN BERNARDINO COUNTY RECORDS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 55 FEET NORTHERLY FROM THE SOUTHEAST CORNER OF SAID BLOCK 8;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE AT A RIGHT ANGLE NORTHERLY PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 39.6 FEET;

THENCE AT A RIGHT ANGLE EASTERLY PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE SOUTHERLY ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 39.6 FEET TO THE POINT OF BEGINNING.

PARCEL 6:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF NINTH STREET, 120 FEET WESTERLY FROM THE SOUTHEASTERLY CORNER OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA;

THENCE AT A RIGHT ANGLE NORTHERLY AND PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE
NORTHERLY LINE OF NINTH STREET, 45 FEET;

THENCE AT A RIGHT ANGLE SOUTHERLY AND PARALLEL WITH THE
WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET TO
THE NORTHERLY LINE OF NINTH STREET;

THENCE EASTERLY ALONG THE NORTHERLY LINE OF NINTH STREET, 45 FEET
TO THE POINT OF BEGINNING.

APNs: 214-292-005
214-292-008
214-292-009
214-292-010
214-292-013
214-292-022

All notices to be mailed to:

Attn: Director HWS
County of Riverside
Housing and Workforce Solutions
3403 10th Street, Suite 300
Riverside, CA 92501

Request is hereby made that a copy of any notice of default and a copy of any notice of sale under the
deed of trust

**NOTICE: A copy of any notice of default and of any notice of sale will be sent only to the
address contained in this recorded request. If your address changes, a new request must be
recorded.**

COUNTY OF RIVERSIDE DEPARTMENT OF HOUSING
AND WORKFORCE SOLUTIONS

Heidi Marshall, Director HWS

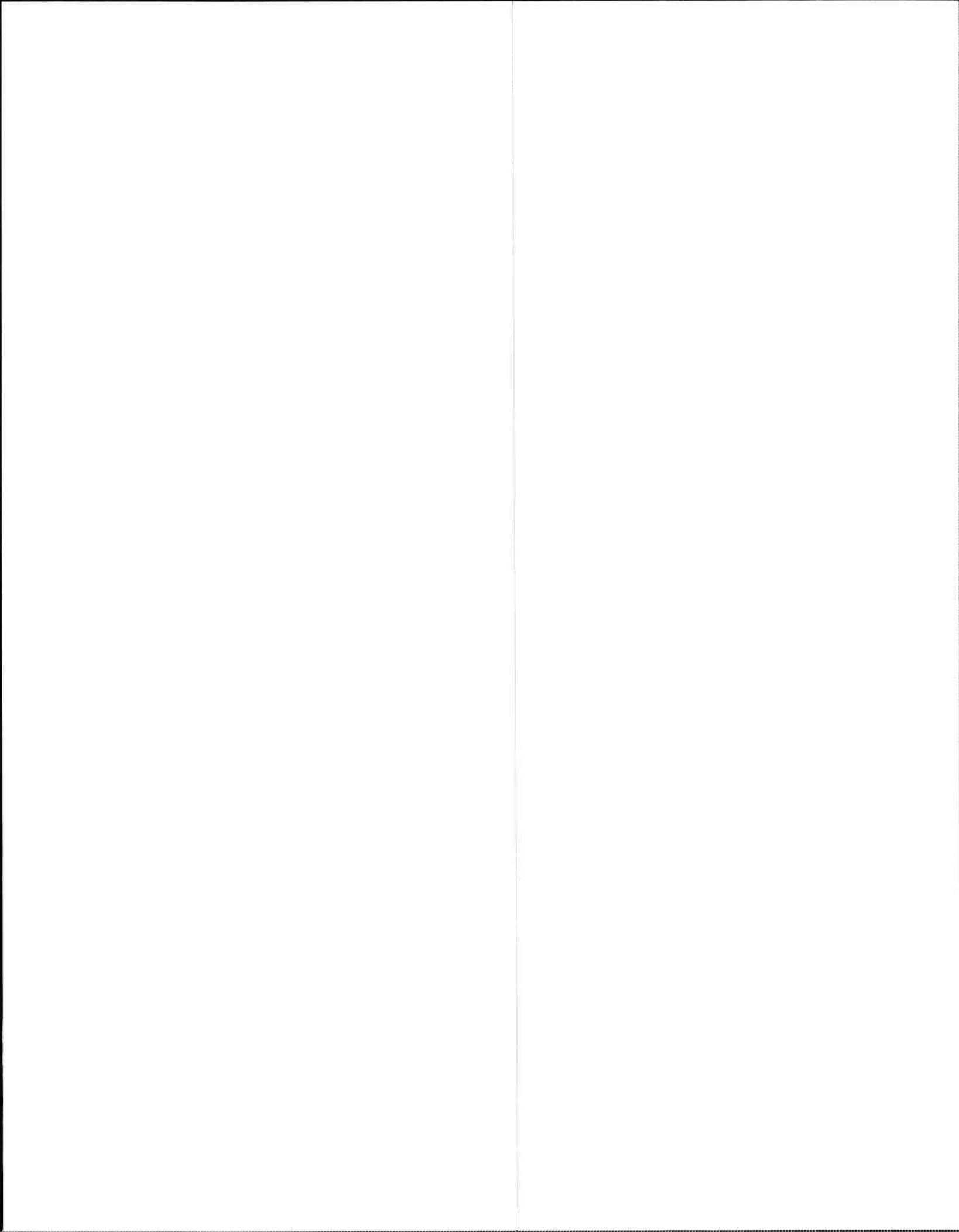


EXHIBIT "G"

Sample

Contractor Debarment Certification Form

Excluded Parties Lists System (EPLS)

The purpose of EPLS is to provide a single comprehensive list of individuals and firms excluded by Federal government agencies from receiving federal contracts or federally approved subcontracts and from certain types of federal financial and nonfinancial assistance and benefits.

The EPLS was established to ensure that agencies solicit offers from, award contracts, grants, or financial or non-financial assistance and benefits to, and consent to subcontracts with responsible contractors/vendors only and not allow a party to participate in any affected program if any Executive department or agency has debarred, suspended, or otherwise excluded (to the extent specified in the exclusion action) that party from participation in an affected program.

In July 2012, all records from CCR/FedReg, ORCA, and EPLS, active or expired, were moved to the System for Award Management (SAM). SAM is a Federal Government owned and operated free web site that consolidates the capabilities in CCR/FedReg, ORCA, and EPLS.

The County of Riverside requires that each contractor/vendor hold the required federal/state/local license for the service provided.

Please complete the following verification process for each contractor/vendor:

- STEP 1: Visit <https://www.sam.gov/portal/public/SAM/>
- STEP 2: Under "Search Records", enter the company name and press enter.
- STEP 3: Click "Print" on the Search Results page.
- STEP 4: Repeat steps 2 & 3 for variations of the name of contractor/vendor (individual last name or firm).
- STEP 5: Attach print out of search results to this certification as supporting documentation.
- STEP 6: Attach to this certification as supporting documentation a copy of contractor/vendor license for the service provided.

By signing below ARPA Recipient, developer name, has verified the contractor/vendor known as, name of contractor/vendor, was not listed in the Excluded Parties Lists System and has the required contractor/vendor license as of date of verification.

DEVELOPER SIGNATURE

