

**Recording Requested by and
after Recording Return to:**

**Monterey County
Economic Development Department
1441 Schilling Place – North
Salinas, CA 93901**

Attn: Redevelopment and Housing Division

**No fee for recording pursuant to
Government Code Section 27383**

ASSIGNMENT, ASSUMPTION AND RELEASE AGREEMENT

PROJECT: PASEO DE LAS ROSAS APARTMENTS
HOME Loan: \$341,000
CDBG Loan: \$35,000

ASSIGNMENT, ASSUMPTION AND RELEASE AGREEMENT

THIS ASSIGNMENT, ASSUMPTION AND RELEASE AGREEMENT (the, “**Agreement**”), is made as of the first day of _____, 2017, by and between the COUNTY OF MONTEREY (hereinafter referred to as “County”), the HOUSING AUTHORITY OF THE COUNTY OF MONTEREY (hereinafter referred to as “**Seller**”), and CASTROVILLE FLC, LP, a California limited partnership (hereinafter referred to as “**Purchaser**”).

WITNESSETH:

WHEREAS, subject to the terms and provisions of that certain HOME Loan Regulatory Agreement dated April 2, 2002, and that certain CDBG Loan and Regulatory Agreement dated May 1, 2002 (“**County Agreements**”), the County made loans to Seller in the amount of \$341,000.00 from an allocation of HOME Funds and \$35,000.00 from an allocation of CDBG funds both allocations being from funds granted to the County by the United States Department of Housing & Urban Development (“**HUD**”) (collectively, the “**County Loans**”); and

WHEREAS, subject to the terms and provisions of those certain County Loans, Seller executed (1) the Promissory Note (HOME Loan) (the “**HOME Note**”) in the stated amount of \$341,000, dated April 2, 2002, and secured by a Deed of Trust and Security Agreement, dated April 2, 2002 (“**County Home Deed of Trust**”), to First American Title Company, as Trustee, and recorded May 24, 2002, as Instrument No. 2002049518, against the Property, as hereinafter defined, in the Official Records of Monterey County (“**Official Records**”); (2) the Promissory Note (CDBG Loan) (the “**CDBG Note**”) dated May 23, 2002 in the stated amount of \$35,000, secured by a Deed of Trust dated May 1, 2002, recorded July 3, 2002 (“**County CDBG Deed of Trust**”), as Instrument No. 2002062501, in the Official Records; (3) the Home Loan and Regulatory Agreement between the Seller and the County which was recorded May 24, 2002, as Instrument No. 2002049517, in the Official Records, (4) the CDBG Loan and Regulatory Agreement between the Seller and the County which was recorded July 3, 2002, as Instrument No. 2002062500, in the Official Records, each recorded document attaching to and encumbering, as more fully described therein, that the real property described on Exhibit A (which property, together with all improvements now or hereafter located on the property, is hereinafter referred to as the “**Property**”). The County Agreements and all loan documents executed in connection with them shall be referred to herein as the “**County Loan Documents**”).

WHEREAS, Seller and Purchaser entered into a Real Estate Purchase and Sale Agreement, dated as of _____, whereby Seller agrees to sell and Purchaser agrees to purchase the Property and any improvement thereon including, without limitation, the Project (the “**Purchase Agreement**”); and

WHEREAS, the Purchaser has submitted to the County a request that the County approve the proposed conveyance of the Property to the Purchaser as set forth in the aforesaid Purchase Agreement; and

WHEREAS, in connection with the proposed request to the County, the Purchaser has agreed to assume the County Notes including without limitation the County Home and CDBG Deeds of Trust and County Loan Agreements in accordance with the terms of this Agreement;

NOW THEREFORE, in consideration of the consent of the County to the transfer of the Property and its improvements to the Purchaser, and in order to comply with the requirements of the County, Seller hereby assigns and Purchaser hereby assumes and is bound by the County HOME and CDBG Deeds of Trust, the HOME and CDBG Notes, the County Loan Agreements and the County Loan Documents, and the provisions of any other County Loan Documents executed by the Seller in connection with the Project, as modified by: (i) Allonge to Promissory Note (CDBG Loan); (ii) Amendment to CDBG Loan and Regulatory Agreement; (iii) Allonge to Promissory Note (HOME Loan), and (iv) Amendment to HOME Loan and Regulatory Agreement, and the parties further agree as follows:

1. As of the date hereof, Purchaser assumes all obligations of the County Loan Documents to make, but does not assume personal liability for failure to make, payments due under said HOME and CDBG Notes and HOME and CDBG Deeds of Trust, provided that Purchaser shall be personally liable with respect to the matters hereinafter stated; namely;

- A) for its own acts and deed or acts and deeds of others which it has authorized in violation of the provisions of the County Agreement;
- C) for acts and deeds of affiliates which they have authorized in violation of the provisions of the County Agreement, and
- D) as otherwise provided by law.

2. The Purchaser is to be bound by said HOME and CDBG Notes, HOME and CDBG Deeds of Trust, County Loan Agreements, and County Loan Documents, as amended, from the date of recording of this Agreement forward, to the same extent as if it had been an original party to said instruments.

3. The Purchaser agrees that there shall be full compliance with the provisions of any applicable laws or local ordinances prohibiting discrimination in housing on the basis of race, color, creed, familial status, religion, handicap, sex or national origin.

4. The Seller is hereby released from all liability for obligations and responsibilities under the HOME and CDBG Notes, the HOME and CDBG Deeds of Trust, County Loan Agreements and County Loan Documents assumed by Purchaser (i.e., those arising on or after the date of recording of this Agreement), but Seller shall not be released from liability for obligations and responsibilities of the HOME and CDBG Notes, the HOME and CDBG Deeds of Trust, County Agreement and County Loan Documents not expressly assumed by Purchaser, if any.

5. Nothing in this Agreement shall in any way impair the HOME and CDBG Notes, the HOME and CDBG Deeds of Trust or any other security now held for the indebtedness evidenced by the HOME and CDBG Notes, and secured by the HOME and CDBG Deeds of Trust, or alter, waive, annul, vary or affect any provision, covenant or condition therein unless specifically set forth in the Amendments, nor affect or impair any rights, powers or remedies under the HOME and CDBG Notes, the HOME and CDBG Deeds of Trust or the County Agreement or any other security held by the County, except as herein specifically provided, it being the intent of the Purchaser and County that the terms of the HOME and CDBG Notes, the HOME and CDBG Deeds of Trust, the County Agreement and the County Loan Documents shall continue in full force and effect except as modified hereby.

6. Nothing in this Agreement shall waive, compromise, impair or prejudice the right the County may have under the County Loan Documents for any breach of the HOME and CDBG Notes, the HOME

and CDBG Deeds of Trust, the County Agreements or other County Loan Documents, as modified, which breach may have occurred prior to or may occur subsequent to the date of this Agreement, it being the intent of Seller, Purchaser, and County that the terms and provisions of the County Agreement and the County Loan Documents shall continue in full force and effect except as modified by: (i) Allonge to Promissory Note (CDBG Loan); (ii) Amendment to CDBG Loan and Regulatory Agreement; (iii) Allonge to Promissory Note (HOME Loan) and (iv) Amendment to HOME Loan and Regulatory Agreement . Notwithstanding the foregoing, by their execution and delivery of this Agreement, the County and the Seller represent and warrant to the Purchaser that each of them have no knowledge of any existing default under the County Loan Documents, nor the occurrence of an event which but for the passage of time would constitute a breach or a material default in the covenants and agreements made by the Purchaser as of the date of their execution of this Agreement.

This Agreement may be signed in counterparts, which, when added together, shall be considered as the entire document.

This Agreement shall be effective on the date of recording of this instrument in the land records where the Project is located.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and effective all as of the day and year first above written.

PURCHASER:

CASTROVILLE FLC, LP,
a California limited partnership

By: Housing Authority Limited Liability
Company, a California limited liability
company
Its: General Partner

By: Monterey County Housing Authority
Development Corporation, a California
nonprofit public benefit corporation,
Its Manager

By: _____
Starla Warren, President/CEO

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

STATE OF CALIFORNIA)
) §
County of _____)

On _____, 2017, before me, _____ a Notary Public, personally appeared Starla Warren who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature of Notary Public
Print Name: _____

(Affix seal above)

SELLER:

HOUSING AUTHORITY OF THE COUNTY OF
MONTEREY, a political subdivision of the State of
California

By:

Name: Jean L. Goebel
Its: Executive Director

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

STATE OF CALIFORNIA)
) §
County of _____)

On _____, 2017, before me, _____ a Notary Public, personally appeared Jean L. Goebel who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature of Notary Public
Print Name _____

(Affix seal above)

COUNTY:

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

By: _____
Name: David L. Spaur
Its: Economic Development Director

APPROVED AS TO FORM:

By: _____
Name: Brian Briggs
Its: Deputy County Counsel

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

STATE OF CALIFORNIA)
) §
County of _____)

On _____, 2017, before me, _____ a Notary Public, personally appeared David L. Spaur who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature of Notary Public
Print Name: _____

(Affix seal above)

EXHIBIT A
LEGAL DESCRIPTION