

Chicago

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

CITY OF RIVERSIDE
3900 Main Street, 5th Floor
Riverside, CA 92522
Attn: Housing Manager

Project: Down Payment Assistance Program
APN: 213-052-006

920829491-mlc

DOC # 2010-0043735

01/29/2010 08:00A Fee:NC

Page 1 of 12

Recorded in Official Records

County of Riverside

Larry W. Ward

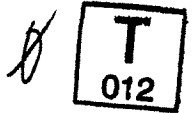
Assessor, County Clerk & Recorder



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(SPACE ABOVE THIS LINE RESERVED FOR RECORDER-S USE)

AGREEMENT AND COVENANTS, CONDITIONS AND RESTRICTIONS AFFECTING REAL PROPERTY INCLUDING OWNER-OCCUPANCY RESTRICTION



THIS AGREEMENT AND COVENANTS, CONDITIONS AND RESTRICTIONS AFFECTING REAL PROPERTY INCLUDING OWNER-OCCUPANCY RESTRICTION ("Agreement") is entered into this 22 day of January, 2010 (the "effective date"), by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation, ("City") and Adolfo M. Gonzalez and Esther C. Gonzalez, as Husband and Wife as Joint Tenants ("Owners"), with reference to the following facts:

RECITALS

WHEREAS, The City has approved and implemented a Down Payment Assistance Program ("Program"), under which the City will provide a subsidy to Eligible Persons and Families towards the purchase of a residence. The City intends that the subsidy, a deferred-payment mortgage loan, provided by the Program will assist first time homebuyers who are Eligible Persons and Families to purchase residential property for owner-occupancy at affordable housing cost; and

WHEREAS, the Program will be funded with money from the formula HOME Investment Partnership (HOME) and American Dream Downpayment Initiative (ADDI) allocation from the United States Department of Housing and Urban Development; and

WHEREAS, the Owners are the initial owners of the certain real property known as 3294 Mulberry Lane (the "Property"), which is described on Exhibit A attached hereto and incorporated herein by reference, which will benefit from the Program; and

WHEREAS, the City and the Owners have agreed to impose certain continuing obligations related to and on the Property; and

CIA 1100

WHEREAS, the Owners agree for itself, its successors and assigns, to remain an owner-occupant for a period of fifty (50) years following the date on which the Owners receives a deferred-payment mortgage loan in the amount of Thirty Thousand Twenty-Five Dollars (\$30,025) ("Loan Amount"); and

WHEREAS, the City has an interest in insuring that the Residential Property funded by the Program is properly maintained and remains attractive.

NOW, THEREFORE, in consideration of the promises contained below and other good and sufficient consideration, the receipt of which is hereby acknowledged, the City and the Owners agree that the Property against which these covenants, conditions and restrictions are recorded shall be held, sold and conveyed subject to the following covenants, conditions and restrictions.

1. City of Riverside Supports Affordable Housing. The City supports Affordable Housing for very low and low income residents within the City of Riverside as set forth in regulations published in 24 Code of Federal Regulations Part 92.

2. Definitions. For purposes of this Agreement, the following definitions shall apply:

(a) Very Low Income: A family whose income does not exceed fifty (50) percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than fifty (50) percent of the median income for the area on the basis of HUD findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

(b) Low Income: A family whose income does not exceed eighty (80) percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than eighty (80) percent of the median income for the area on the basis of HUD findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

(c) Single Family Residence: A housing unit intended for occupancy by one (1) household. Eligible residences include single-family detached home, condominium, townhouse, and detached manufactured housing. Eligible properties must be in some stage of foreclosure: in danger of entering into foreclosure, in the foreclosure process, or properties that have already been foreclosed upon.

3. Term. The terms, covenants, conditions and restrictions contained in this Agreement shall be effective for a period of fifty (50) years following the effective date.

4. Disclosure Requirements. Prior to the execution of a purchase and sale agreement between the Owner and any subsequent purchaser of the Property, and prior to the execution of a purchase and sale agreement between any subsequent owner of the Property and any subsequent purchasers, the Owners or subsequent owner (as may be applicable) shall disclose, in writing, to

each purchaser the fact that the property has been assisted with down payment assistance funds and that the requirements stated in this Agreement will remain in effect for the term described in Section 3.

5. Owner - Occupancy. Owners hereby agrees that Owners will occupy the Property as Owner's primary residence for a period of fifty (50) years following the date on which Owners receives a down payment assistance loan. Owner's attempt to rent or actual rental of the Property for any purpose during the fifty-year period of restriction shall be a material breach of this Agreement and shall entitle City to exercise all available legal and equitable remedies.

It is expressly understood, acknowledged, and covenanted by the Owners for itself, its successors and assigns, that the Property or any part thereof, shall only be used and maintained for owner-occupied Single Family Residence. Therefore, the Owners, its successor, or its assigns, shall not rent, lease, or sublease the Property (including any improvement or fixture thereto), or otherwise transfer or attempt to transfer a tenancy or leasehold interest in the Property (including any improvement or fixture thereto) or any part thereof.

City and Owners acknowledge that this owner-occupancy covenant is a condition to and consideration for the Program Loan provided to Owners. In administering the Program, City is implementing the objective of increasing the ratio of decent, safe and sanitary owner-occupied single-family residences to rental property throughout the City. In furtherance of this public use and purpose, Owners for itself and its successors and assigns, also agrees not to rent, lease, license or otherwise permit a non-owner of the Property to take possession and control thereof. Owners and its successors in interest agree and consent that this owner-occupancy restriction may be enforced by the City through specific performance. As an additional alternative, in the event of a material breach by the failure to use and maintain the Property as an owner-occupied Single Family Residence, City may demand the immediate repayment of the Loan Amount from Owners and Owners shall be required to provide City with the Loan Amount within fifteen (15) days of said demand.

6. Monitoring by the City. On or about July 1st, of each calendar year, the City will mail a form to the record owner of the Property requesting specific information. The Owners of the Property shall complete the form and return it to the City within thirty (30) calendar days after receipt of the request from the City. The form will request the following information:

- (i) whether there was a change in ownership of the dwelling unit from the prior year; and
- (ii) whether the dwelling unit was leased or rented during the prior year; and
- (iii) if there was a change in ownership, the income and family size of the new owners.

7. Binding on the Successors in Interest. The Owners hereby covenant and agree that their heirs, successors and assigns, and every successor in interest to the Property, or any part thereof, shall comply with each and every term, covenant, condition and restriction contained in this

Agreement. The covenants, conditions and restrictions of this Agreement shall run with the land, any other provision of law notwithstanding, and shall be enforceable by the City in an action for specific performance against the Owners and their successors in interest.

8. Maintenance of Property.

(a) The Owners agree, for itself, its successors and assigns, that they shall maintain the Property, dwelling unit, improvements, landscaping and fixtures in good repair and shall keep the Property free from any accumulation of debris or waste materials, consistent with the customary practice and so as not to create a nuisance, or violate any provision of the City of Riverside Municipal Code.

(b) All exterior painted surfaces shall be maintained at all times in a clean and presentable manner, free from chipping, cracking and defacing marks. Any such defacing marks shall be cleaned or removed within the time as set forth in subparagraph (d) below.

(c) The Owners shall at all times maintain the front exterior, visible side exteriors and yard in a clean, safe and presentable manner, free from defacing marks or any disrepair. The Owners shall maintain and/or repair the front exterior or rear or visible side yard and exterior of the dwelling unit.

(d) All graffiti and defacement of any type, including marks, words and pictures, must be removed and any necessary painting or repair completed within one (1) week of their creation or within one (1) week after notice to Owners.

(e) Driveways. All driveways must be paved and maintained with impervious material in accordance with the City Municipal Code.

9. Remedies for Breach. Upon breach of any of the covenants, conditions or restrictions set forth in this Agreement, the City may exercise any and all remedies available to it at law or equity. These remedies include, without limitation, an action for injunctive relief or specific performance. In the event of a breach of the covenant regarding maintenance of the Property, as set forth in Section 8 of this Agreement, the City Manager, or his or her designee, shall give written notice to the Property Owners (as listed on the last equalized tax assessment roll) describing the conditions constituting the breach, demanding that such conditions be corrected, and notifying the Owners of the City's intention to enter upon the Property to correct such conditions. At any time within fifteen (15) calendar days following the giving of the notice described in the previous sentence, the Owners may request, in writing, a hearing to determine whether the conditions of the Property or the dwelling unit constitute a breach of Section 8 of this Agreement. This hearing shall be held within thirty (30) calendar days following the City's receipt of written request from the Owners and shall be held before the City Manager, or his or her designee. At this hearing, the Owners shall be allowed to introduce evidence in support of his or her position and shall have the right to question those witnesses and evidence against him or her. A transcript or electronic recording of the hearing may be made. At the end of this hearing, the City Manager, or his or her designee, shall make a finding, based upon substantial evidence in the record of the hearing, as to whether the conditions of the dwelling unit or Property constitute a breach of the terms of Section 8

of this Agreement. The decision of the City Manager shall be final and there shall be no right of appeal to the City Council.

If the City Manager, or his or her designee finds that the conditions of the dwelling unit or the Property constitute a breach of Section 8 of this Agreement, then the City shall so notify the Owners in writing and the Owners shall have five (5) calendar days following this written notice to correct or abate such breach. If the conditions are not corrected to the reasonable satisfaction of the City Manager, then the City, its employees or its agents may enter upon the Property to remedy and abate the conditions creating the breach. The City shall be entitled to recover its costs of remedying the conditions creating the breach, including, without limitation, administrative, overhead, and engineering costs. Such costs shall become a lien upon the Property pursuant to Civil Code § 2881, immediately due and payable, and the City may collect such costs through the appropriate civil proceedings.

The provisions of this Section 9 are supplemental to all other legal rights and remedies available to either the City.

10. City as Beneficiary. The City is the beneficiary of the terms and provisions of this Agreement and the covenants, conditions and restrictions running with the land, both for and in its own right, and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit this Agreement and the covenants, conditions and restrictions running with the land have been provided. This Agreement and the covenants shall run in favor of the City without regard to whether the City has been, remains, or is an owner or has any interest in the Property or in any other parcel in the City. The City shall have the right, but not the obligation, to exercise all rights and remedies and to maintain any actions at law or in equity or any other proceedings to enforce the covenants, conditions and restrictions contained in this Agreement.

11. Nonwaiver. The failure of City to enforce any one or more of the covenants, conditions or restrictions contained in this Agreement on any one or more occasions shall not constitute a waiver of the City's right to enforce the covenants, conditions and restrictions in the future.

12. Entire Agreement. This document contains the entire Agreement between the City and the Owners with respect to those matters contained herein. This Agreement may be modified only by a writing duly subscribed by both the City and the Owners. Notwithstanding the foregoing, the parties acknowledge that additional covenants, conditions and restrictions may be recorded against the Property in the future. In the event of a conflict or inconsistency between the provisions of this Agreement and such future covenants, conditions and restrictions, the document providing the greater measure of control, greater length of time, or more stringent requirement shall govern and supersede the other document to the extent of such conflict or inconsistency. Other than with respect to a conflict or inconsistency, the provisions of this Agreement and the provisions of any future covenants, conditions and restrictions shall be interpreted and enforced to give effect to the requirements of both documents.

13. Attorney's Fees. In the event that the City or Owners, or any successor in interest of the Owners, brings an action or begins any other proceeding to contest the validity of this

Agreement or to enforce any of the covenants, conditions or restrictions in this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover from the other party its reasonable costs and expenses associated with such action or proceeding. These costs and expenses shall include, but shall not be limited to, the costs of arbitration, reasonable attorneys fees, expenses associated with the action or proceeding, and the costs of all administrative proceedings and hearings. If payable by the Owners or their successors in interest, such costs and expenses shall become a lien upon the Property pursuant to Civil Code § 2881, et seq., immediately due and payable, and that lien may be enforced by the City through the appropriate civil proceedings.

14. Interpretation. The Section headings used in this Agreement are for the purposes of convenience only and shall not in any way limit, alter or amend the express terms of each Section. Words used in the singular will include the plural and visa versa.

15. Severability. If any term, provision, or section of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, the City and the Owners agree that invalid portion or section may be severed from the remainder of this Agreement and the remainder of the Agreement may be enforced in its entirety.

16. Nuisance. The result of every act or omission whereby the covenants contained in this Agreement are violated in whole or in part is hereby declared to be and constitutes a nuisance. Every remedy allowable at law or equity, against a nuisance, either public or private, shall be applicable against every such result and may be exercised by the City without derogation of the City's rights under law.

17. Covenant Against Partition. The Owners hereby covenant for themselves and for their heirs, representatives, successors and assigns, that it will not institute legal proceedings or otherwise seek to effect partition of their right and interest in the Property or the burdens running with the land as a result of this Agreement.

18. Notices. All notices required to be given by this agreement shall be in writing and shall be personally delivered or mailed by first class registered or certified mail. All notices given by mail shall be deemed delivered seventy-two (72) hours after the date and time of deposit, as shown on a receipt issued by the United States Postal Service. All notices to the Owners shall be addressed to the Property. All notices to the City shall be addressed to City of Riverside, 3900 Main Street, Riverside, California 92522. Owners address for notices may be changed only by written notice given in accordance with the terms of this provision.

19. Cumulative Remedies. The remedies herein provided for breach of the covenants contained in this Agreement shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

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20. Authority. The individuals executing this Agreement and the instruments referenced herein on behalf of Owners each represent and warrant that they have the legal power, right and actual authority to bind Owners to the terms and conditions hereof and thereof.

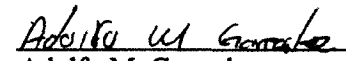
CITY:

CITY OF RIVERSIDE,
a California charter city and
municipal corporation


By: 
Development Director

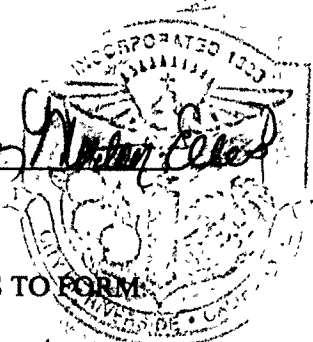
OWNERS:

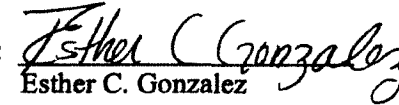
**Adolfo M. Gonzalez and Esther C. Gonzalez,
Husband and Wife as Joint Tenants**

By: 
Adolfo M. Gonzalez

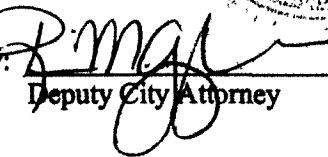
ATTEST:

By: 
City Clerk



By: 
Esther C. Gonzalez

APPROVED AS TO FORM:

By: 
Deputy City Attorney

TEMPLATES-14
D.P.A. - Down Payment Assistance Program Agr. & CC&Rs (50 Yrs) - City
[00014943]
09/01/09

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

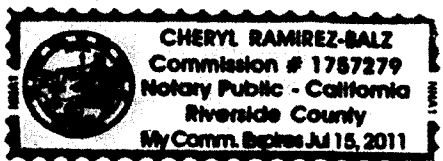
State of California

County of Riverside }

On January 26, 2010 before me, Cheryl Ramirez-Balz, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Sherry Marton-Ellis
Name(s) of Signer(s)

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



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

WITNESS my hand and official seal.
 Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Agreement and Covenants, Conditions and Restrictions

Document Date: January 22, 2010 Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Individual

Corporate Officer — Title(s): _____

Partner — Limited General

Attorney in Fact

Trustee

Guardian or Conservator

Other: _____

Signer Is Representing: _____



Signer's Name: _____

Individual

Corporate Officer — Title(s): _____

Partner — Limited General

Attorney in Fact

Trustee

Guardian or Conservator

Other: _____

Signer Is Representing: _____



C/A 1100

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

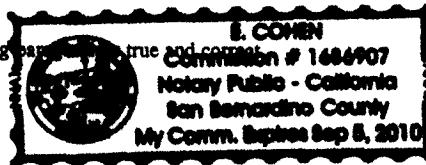
STATE OF CALIFORNIA }
COUNTY OF Riverside } SS

On 1/22/2010 before me, E. Cohen, Notary Public

a notary public in and for said state, personally appeared Adolfo M. Gonzalez & Esther C. Gonzalez 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 is true and correct.

WITNESS my hand and official seal
Signature E. Cohen (Seal)



OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) other than named above _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

- INDIVIDUAL
- CORPORATE OFFICER(S)
TITLE(S) _____
- PARTNER(S)- LIMITED
 GENERAL
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN OR CONSERVATOR
- OTHER _____

Right Thumbprint of Signer
Top of thumb here

- INDIVIDUAL
- CORPORATE OFFICER(S)
TITLE(S) _____
- PARTNER(S)- LIMITED
 GENERAL
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN OR CONSERVATOR
- OTHER _____

Right Thumbprint of Signer
Top of thumb here

SIGNER IS REPRESENTING:

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of RIVERSIDE

On JANUARY 26, 2010 before me, SHERYN LEE SMAY, NOTARY PUBLIC

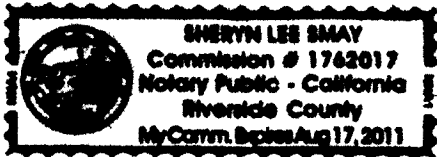
personally appeared DEANNA LORSON

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 Sheryn Lee Smay
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

APN: 213-052-006

EXHIBIT A

Legal Description

(must be attached prior to recordation)

C/A 1100

LEGAL DESCRIPTION

APN: 213-052-006

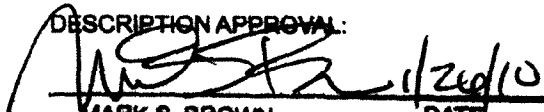
THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOT 12 AS SHOWN BY MAP OF A. J. TWOGOOD'S RESUBDIVISION OF BLOCK 2, RANGE 2 OF THE CITY OF RIVERSIDE, RECORDED IN BOOK 6, PAGE 5 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.

EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA, BY DOCUMENT RECORDED AUGUST 31, 1953 IN BOOK 1504 PAGE 492 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

ALSO EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE CITY OF RIVERSIDE, BY DOCUMENT RECORDED JUNE 6, 1969 AS INSTRUMENT NO. 56487, OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

DESCRIPTION APPROVAL:


MARK S. BROWN
CITY SURVEYOR

1/26/10
DATE

PHYSICAL ADDRESS:
3294 MULBERRY LANE
RIVERSIDE, CA 92501

C/A 1100

DOCUMENT TRANSMITTAL FORM



TO CITY CLERK'S OFFICE
FROM: CITY ATTORNEY'S OFFICE
DATE: January 26, 2010

CONTRACTOR/LESSOR: Adolfo M. Gonzalez and Esther C. Gonzalez

PROJECT DESCRIPTION/BID NO.. Down Payment Assistance Program, APN 213-052-006
Agmt & Covenants, Conditions, & Restrictions

Approved by [City Council] [Agency] on
Anticipated [City Council] [Agency] future agenda of
x No [City Council] [Agency] action required

RECEIVED

JAN 26 2010

City of Riverside
City Clerk's Office

Insurance required:
x No
Yes, as attached
Yes, withhold execution until received

Bonds required:
x No
Yes, as attached
Yes, withhold execution until received

Type of Insurance required (unless waived by the Risk Manager):

- Commercial General Liability
Auto
Professional Liability
Workers' Compensation
Additional Insured Endorsement
Other:

Dept. Head Approval:
[] Attached X Sig. Pg
[] Req'std _____

Business Tax Certificate Required:

Yes, current through
Yes, withhold execution until provided
x No, exempted by RMC § 5.04.090

Agreement date(s):

[City Council] [Agency] Approval Date:
x Date City/Agency Executes 1-22-10
Other:

Comments: Please call Elliot Olanivan @5290 when ready.

Department: Development

Contact person: Elliot Olanivan

Approved as to form by: Rina Gonzales

Date Approved: 1/26/10

CA #: 10-0146

c: Elliot Olanivan, Development