

FIRST AMENDMENT TO  
GRANT AGREEMENT  
(Phase III – Bloomington Mixed Use Development)

This First Amendment to Grant Agreement (the "First Amendment") is entered into as of February 11, 2020, by and among the County of San Bernardino, a political subdivision of the state of California (the "County") and HPI Bloomington III, LLC, a California limited liability company ("Grantee") with reference to the following facts:

RECITALS

A. Capitalized terms used in this First Amendment, but not defined, shall have the meaning set forth in certain that certain Grant Agreement, dated as of June 25, 2019 (the "Grant Agreement").

B. The County and the Grantee are parties to the Grant Agreement under which the County intended to make a grant to Grantee in an amount not to exceed Eight Million Seven Hundred Thousand Dollars (\$8,700,000) consisting of: (1) a capitalized land rent payment valued at Six Million Seven Hundred Thousand Dollars (\$6,700,000); (2) Five Hundred Thousand Dollars (\$500,000) of tax-exempt bonds; and (3) One Million Five Hundred Thousand Dollars (\$1,500,000) of IEHP Funds.

C. Under Section 6.3 of the Grant Agreement, no alteration or variation of the terms of the Grant Agreement shall be valid unless made in writing and executed by the parties.

D. The County and Grantee desire to enter into this First Amendment to correct clerical errors in the stated Grant amount and to make additional non-substantive revisions to the Grant Agreement, to effectuate the terms of this First Amendment.

NOW, THEREFORE, the County and the Grantee agree as follows:

ARTICLE 1.  
AMENDMENTS TO GRANT AGREEMENT

Section 1.1 Amendment to Section 2.1(a). Section 2.1(a) of the Grant Agreement is hereby deleted in its entirety and replaced and amended to read as follows:

"(a) Upon satisfaction of the conditions set forth in Section 2.3 of this Agreement, the County shall grant to the Grantee the County Grant in the principal amount not to exceed Eight Million Seven Hundred Thousand Dollars (\$8,700,000) for the purposes set forth in Section 2.2 of this Agreement. "

Section 1.2 Amendment to Section 2.2(a). Section 2.2(a) of the Grant Agreement is hereby deleted in its entirety and replaced and amended to read as follows:

"(a) Grantee shall use the Grant Funds to finance the acquisition, development and construction of affordable housing. The Grant Funds shall consists of two components:

(1) the "Acquisition Component" consisting of Six Million Seven Hundred Thousand Dollars (\$6,700,000) which shall be used to make a capitalized lease payment under the Housing Lease; and (2) the "Development Component" consisting of Two Million Dollars (\$2,000,000)."

Section 1.3 No Other Changes to the Grant Agreement. Except as expressly modified by this First Amendment, all other provisions of the Grant Agreement remain unmodified and continue in full force and effect.

Section 1.4 Conflicts with the Grant Agreement. In the event of any conflict between this First Amendment and the Grant Agreement, the provisions of this First Amendment shall prevail.

Section 1.5 Effective Date. This First Amendment shall be effective on the date first set forth above.

Section 1.6 Successors and Assigns. This First Amendment shall be binding on and inure to the benefit of the legal representatives, heirs, successors and assigns of the parties.

Section 1.7 California Law. This First Amendment shall be governed by and construed in accordance with the laws of the State of California.

Section 1.8 Counterparts; Multiple Originals. This First Amendment may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

***[Signature Page(s) Follow.]***

IN WITNESS WHEREOF, the County and Grantee have entered into this First Amendment as of the date first set forth above.

**COUNTY:**

**COUNTY OF SAN BERNARDINO**, a political subdivision of the State of California

By: \_\_\_\_\_  
Curt Hagman, Chairman  
Board of Supervisors

Date: \_\_\_\_\_

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

LYNNA MONELL  
Clerk of the Board of Supervisors

By: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:

MICHELLE D. BLAKEMORE  
County Counsel

By: \_\_\_\_\_  
Suzanne Bryant,  
Deputy County Counsel

Date: \_\_\_\_\_

**GRANTEE:**

HPI BLOOMINGTON III, LLC, a California limited liability company

By: Housing Partners I, Incorporated, a California nonprofit public benefit corporation, its sole member and manager

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_