

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY

SAN BERNARDINO
COUNTY

Contract Number
23-1307

SAP Number

Community Development and Housing Department

Department Contract Representative	Carrie Harmon
Telephone Number	(909) 387-3983
Contractor	AMCAL Las Terrazas Fund L.P.
Contractor Representative	Alex Pratt, Vice President of Development
Telephone Number	(818) 760-0694x107
Contract Term	11/17/2020 – 11/17/2077
Original Contract Amount	\$4,995,289
Amendment Amount	\$0.00
Total Contract Amount	\$4,995,289
Cost Center	621002492 – 6210002494 - 6210002498

Briefly describe the general nature of the contract: This Senior Subordination Agreement will subordinate the County's interests in the County's Senior HOME Loan documents and the County's Senior NSP documents to the State's NPLH Loan Documents to finance, in part, the Las Terrazas apartment community which consist of 112 affordable units located at 1176 W. Valley Boulevard. The Project includes 12 units set aside for permanent supportive housing for homeless, special needs clients with mental health conditions, for whom the Department of Behavior Health (DBH) provides supportive services.

FOR COUNTY USE ONLY

Approved as to Legal Form

Suzanne Bryant
Suzanne Bryant, Deputy County Counsel

Date 12-12-23

Reviewed for Contract Compliance

▶

Date

Reviewed/Approved by Department

Carrie Harmon
Carrie Harmon, Director

Date 12/13/23

[COUNTY RECORDER COVER PAGE]

**FREE RECORDING IN ACCORDANCE
WITH CALIFORNIA GOVERNMENT
CODE SECTION 27383 and 27388.1.**

RECORDING REQUESTED BY, AND
WHEN RECORDED, MAIL TO:

State of California
Department of Housing and
Community Development
P. O. Box 952052
Sacramento, CA 94252-2052
Attn: **Legal Affairs Division**
18-NPLH-14616

SENIOR SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SENIOR SUBORDINATION AGREEMENT (the "Agreement") is dated as of December 20, 2023, for reference purposes only, and is entered into by and among San Bernardino County, a political subdivision of the State of California, (referred to herein as the "San Bernardino County and/or, for this Agreement, as the "Junior Lienholder" or "County") and AMCAL Las Terrazas Fund, L.P., a California limited partnership (the "Borrower"), and the Department of Housing and Community Development, a public agency of the State of California (referred to herein as the Department and/or, for this Agreement, as the "Senior Lender").

RECITALS

A. The Property is that certain real property described in Exhibit A, attached hereto ("County Fee Interest") and made a part hereof (the "Property"). Borrower is the owner of a leasehold estate in the Property, pursuant to an unrecorded Ground Lease, memorialized by a Memorandum of Ground Lease, recorded against the Property November 30, 2020, as Instrument No. 2020-0481678 and on December 1, 2020, as Instrument No. 2020-0483792 in the official records of the County of San Bernardino Recorder's Office ("Official Records"), (the "Lease"). The Borrower has acquired the Lease and then constructed a 112-unit multifamily residential rental development on the Property (the "Improvements"). The Property and the Improvements are sometimes referred to collectively as the "Development."

B. The County made multiple loans to Borrower evidenced by promissory notes and deeds of trust, and entered into multiple regulatory agreements, and other documents, recorded against the Property in the Official Records, as follows:

(i) San Bernardino County, a political subdivision of the State of California, is the beneficiary of a deed of trust recorded in the Official Records on November 30, 2020, as Instrument No. 2020-0481685 and on December 1, 2020, as Instrument No. 2020-0483799, to secure the amount of \$9,179,552.00, ("County Senior HOME Loan" and "County Senior HOME Loan Documents" respectively). This encumbrance will remain in **second-lien** position.

(ii) San Bernardino County, a political subdivision of the State of California, is the beneficiary of a deed of trust recorded in the Official Records on November 30, 2020, as Instrument No. 2020-0481686 and on December 1, 2020, as Instrument No. 2020-0483800, to secure the amount of \$4,995,289.00, ("County Senior NSP Loan" and "County Senior NSP Loan Documents" respectively). This encumbrance will remain in **third-lien** position.

(iii) San Bernardino County, a political subdivision of the State of California, is the beneficiary of a Disposition, Development & Loan Agreement, with surviving covenants, recorded by Memorandum in the Official Records on November 30, 2020, as Instrument No. 2020-0481677 and on December 1, 2020, as Instrument No. 2020-0483791, as amended in the First Amendment to the Amended and Restated Land Disposition, Development & Loan Agreement, with surviving covenants, recorded by Memorandum in the Official Records on November 30, 2020, as Instrument No. 2020-0481682 and on December 1, 2020, as Instrument No. 2020-0483796, to restrict rents by income and other matters, ("County Senior Amended Disposition Development & Loan Agreement" and "County Senior Amended Disposition Development & Loan Agreement Documents" respectively).

(iv) San Bernardino County, a political subdivision of the State of California, is the beneficiary of a regulatory agreement recorded in the Official Records on November 30, 2020, as Instrument No. 2020-0481683 and on December 1, 2020, as Instrument No. 2020-0483797, to restrict rents by income and other matters, ("County Senior HOME Regulatory Agreement" and "County Senior HOME Regulatory Agreement Documents" respectively).

(v) San Bernardino County, a political subdivision of the State of California, is the beneficiary of a deed of trust recorded in the Official Records on November 30, 2020, as Instrument No. 2020-0481684 and on December 1, 2020, as Instrument No. 2020-0483798, to restrict rents by income and other matters, ("County Senior NSP Regulatory Agreement" and "County Senior NSP Regulatory Agreement Documents" respectively).

(vi) Collectively, for purposes of this Agreement, the County Senior Home Loan Documents and the County Senior NSP Loan Documents and the County Senior NSP Regulatory Agreement Documents and the County Senior Home Regulatory Agreement Documents and the County Senior Amended Disposition Development & Loan Agreement Document are sometimes referred to herein as the County Loan Documents.

C. In order to finance the development of the Improvements, the Department has agreed to loan the Borrower a sum not to exceed Two-Million Five-Hundred Ninety-One Thousand and no/100 Dollars (\$2,591,000.00) (the "NPLH Loan"), subject to the terms and conditions of: (i) an NPLH Senior regulatory agreement and an NPLH Junior regulatory agreement, both restricting the use and occupancy of the Development and the income derived therefrom which shall be dated as of even date herewith and recorded concurrently herewith as an encumbrance on the Lease of the Property in the Official Records of San Bernardino County, California ("Official Records"), (the "NPLH Senior Regulatory Agreement" and the "NPLH Junior Regulatory Agreement"), (ii) the Lease Rider, recorded on the County Fee Interest in the property to modify the Lease, and (iii) other loan documents. The NPLH Loan will be evidenced by a promissory note (the "NPLH Note"), the repayment of which will be secured by, among other things, a deed of trust by Borrower as trustor, to Department as beneficiary recorded concurrently herewith as an encumbrance on the Lease of the Property in the Official Records (the "NPLH Deed of Trust") and by such other security as is identified in other loan documents. The NPLH Junior Regulatory Agreement, the, the NPLH Note, the NPLH Deed of Trust and all other documents evidencing or securing the NPLH Loan (except expressly excluding the NPLH Senior Regulatory Agreement and the Lease Rider) are collectively referred to herein as the "Department Junior Lender Documents." For purposes of this Agreement, the Department Senior Regulatory Agreement and the Department Lease Rider are collectively referred to herein as the "Department Senior Lender Documents". For purposes of the Department Senior Lender Documents in this agreement only, the Department is referred to herein as the Senior Lender.

D. The Senior Lender is willing to make the NPLH Loan provided the County Loan Documents, (sometimes referred to herein for this agreement only as the "Junior Lienholder" and the "Junior Lienholder Documents", respectively), are subordinated herein to the Department Senior Lender Documents as liens, claims, rights, or charges upon the Development and the Lease of the Property, except that the Department Lease Rider is instead recorded on the County Fee Interest in the Property to modify the Lease, prior and superior to the Junior Lienholder Documents, and provided that the Junior Lienholder specifically and unconditionally subordinates and subjects the Junior Lienholder Documents to the liens, claims or charges of the Department Senior Lender Documents.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to induce the Senior Lender to make its NPLH Loan, it is hereby declared, understood and agreed as follows:

1. The Department Senior Lender Documents and any and all renewals, modifications, extensions or advances thereunder or secured thereby (including interest thereon), shall unconditionally be and remain at all times liens, claims, rights, or charges on the Development prior and superior to the Junior Lienholder Documents, and to all rights and privileges of the Junior Lienholder thereunder; and the Junior Lienholder Documents, together with all rights and privileges of the Junior Lienholder thereunder are hereby irrevocably and

unconditionally subject and made subordinate to the liens, claims or charges of the Department Senior Lender Documents.

2. This Agreement shall be the whole and only agreement with regard to the subordination of the Junior Lienholder Documents, together with all rights and privileges of the Junior Lienholder thereunder, to the liens, claims or charges of the Department Senior Lender Documents, and this Agreement shall supersede and cancel any prior agreements to subordinate the claims, liens or charges of, but only insofar as would affect the priority between the claims, liens or charges of the Junior Lienholder Documents to the Department Senior Lender Documents including, but not limited to, those provisions, if any, contained in the Junior Lienholder Documents, which provide for the subordination of the lien or charge thereof to another lien or charge on the Property or the Improvements.

3. The Junior Lienholder declares, agrees and acknowledges that:

(a) The Junior Lienholder consents and approves (i) all provisions of the Department Senior Lender Documents, and (ii) all agreements among the Junior Lienholder, Borrower and Senior Lender for the disbursement of the proceeds of the NPLH Loan, including without limitation any loan escrow agreements which have been provided to the Junior Lienholder for review;

(b) The Senior Lender, in making disbursements of the NPLH Loan pursuant to the NPLH Note, or any other agreement, is under no obligation or duty to, nor has the Senior Lender represented that it will, see to the application of such proceeds by the person or persons to whom the Senior Lender disburses such proceeds, and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;

(c) That none of the execution, delivery or recordation of any of the Department Senior Lender Documents, or the performance of any provision, condition, covenant or other term thereof, will conflict with or result in a breach of the Junior Lienholder Documents or the Junior Lienholder Note; and

(d) The Junior Lienholder intentionally and unconditionally waives, relinquishes, subjects and subordinates the claims, liens or charges upon the Development of the Junior Lienholder Documents, all present and future indebtedness and obligations secured thereby, in favor of the claims, liens or charges upon the Development of the Department Senior Lender Documents, and understands that in reliance upon, and in consideration of, this waiver, relinquishment, subjection, and subordination, the NPLH Loan and advances thereof are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment, subjection and subordination.

4. Senior Lender hereby agrees, but only as a separate and independent covenant

of the Senior Lender and not as a condition to the continued effectiveness of the covenants and agreements of the Borrower and the Junior Lienholder as set forth herein, as follows:

- (a) Following a notice from the Senior Lender to the Borrower that a default or breach exists under the terms of the Department Senior Lender Documents and each of them, the Senior Lender shall promptly (but in no event later than the following business day) send a copy of such notice to the Junior Lienholder and the Junior Lienholder shall have the right, but not the obligation, to cure the default as follows:
 - (i) If the default is reasonably capable of being cured within thirty (30) days, as determined by the Senior Lender in its sole, commercially reasonable discretion, the Junior Lienholder shall have such period to effect a cure prior to exercise of remedies by Senior Lender under the Department Senior Lender Documents, or such longer period of time as may be specified in the Department Senior Lender Documents.
 - (ii) If the default is such that it is not reasonably capable of being cured within thirty (30) days, as determined by the Senior Lender in its sole, commercially reasonable discretion, or such longer period if so specified, and if the Junior Lienholder (a) initiates corrective action within said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then the Junior Lienholder shall have such additional time as is determined by the Senior Lender, in its sole, commercially reasonable discretion, to be reasonably necessary to cure the default prior to exercise of any remedies by Senior Lender.

In no event shall Senior Lender be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default or the default is not cured within ninety (90) days after the first notice of default is given, or such longer period of time as may be specified in the Department Senior Lender Documents.

Nothing in this subparagraph (a) is intended to modify any covenant, term or condition contained in the Department Senior Lender Documents, including, without limitation, the covenant against creating or recording any liens or encumbrances against the Property without the prior written approval of the Senior Lender.

- (b) The provisions of this paragraph 4 are intended to supplement, and not to limit, waive, modify or replace, those provisions of law pertaining to notice and cure rights of junior lenders including, without limitation, those set forth in California Civil Code sections 2924b and 2924c.

5. The Senior Lender would not make the NPLH Loan without this Agreement.

6. This Agreement shall be binding on and inure to the benefit of the legal representatives, heirs, successors and assigns of the parties.

7. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The parties agree that the venue for any action or claim which is related only to this Property brought by any party to this Agreement will be the Superior Court of California, County of San Bernardino. Each party waives any law, statute (including, but not limited to, Code of Civil Procedure section 394), or rule of court that would allow them to request or demand a change of venue.

8. In the event that any party to this Agreement brings an action to interpret or enforce its rights under this Agreement, the prevailing party in such action, shall be entitled to recover its costs and expenses, including reasonable attorneys' fees as awarded by the court in such action.

9. This Agreement may be signed by different parties hereto in counterparts with the same effect as if the signatures to each counterpart were upon a single instrument. All counterparts shall be deemed an original of this Agreement.

10. Notices: Any notice, demand, request, consent, approval or communication that any party desires or is required to give to another party shall be in writing and served personally, delivered by a reputable overnight courier service, or sent by postage prepaid, return receipt request first-class United States mail, certified or registered, return receipt requested. Any notice, demand, request, consent, approval or communication that a party desires or is required to give to another party shall be addressed to said party at the addresses set forth below. any party may change its address by notifying the other party of the change of address. Notices shall be deemed delivered upon the earlier of: (i) actual receipt if such notice is personally delivered on a Tenant business day; (ii) the date of delivery if such notice is delivered by a reputable overnight courier service on a Tenant business day; or (iii) the date of delivery or refusal of the addressee to accept delivery if such notice is sent by postage pre-paid, first-class United States mail, certified or registered, return receipt requested, if on a Tenant business day; otherwise on the next Tenant business day:

To Junior Lienholder:

San Bernardino County
Real Estate Services Department
385 North Arrowhead Avenue, Third Floor
San Bernardino, California 92415-0180

[The remainder of this page is blank.]

To Borrower:

AMCAL Las Terrazas Fund, L.P.
c/o AMCAL Multi-Housing, Inc.
30141 Agoura Rd., Suite 100
Agoura Hills, CA 91301
Attn: President

To Department:

State of California
Department of Housing and Community Development
P.O. Box 952052
Sacramento, CA 94252-2052
Attn: Legal Affairs Division
20-NPLH-14616

[Signatures follow on page 9 of this Subordination Agreement. The remainder of this page is blank.]

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON (OR ENTITY) OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above and agree to be bound hereby:

JUNIOR LIENHOLDER:
County of San Bernardino,
a political subdivision of the State of California

By: _____
Luther Snoke
Its: Chief Executive Officer

APPROVED AS TO FORM:

TOM BUNTON,
County Counsel

BY:  _____
Suzanne Bryant
ITS: Deputy County Counsel

[Signatures must be acknowledged.]

[Signatures continue on page 10. Remainder of this page is blank.]

BORROWER:

AMCAL Las Terrazas Fund, L.P.,
a California limited partnership

By: AMCAL FNMA LLC,
a California limited liability company
Its: Administrative General Partner

By: AMCAL Multi-Housing Inc.,
a California corporation
Its: Manager

By: 

Arjun Nagarkatti, President

By: Brandon Affordable Housing, LLC,
a California limited liability company
Its: Managing General Partner

By: Las Palmas Foundation,
a California nonprofit public benefit corporation
Its: Manager

By: _____
Joseph M. Michaels, President

[Signatures must be acknowledged.]

[Signatures continue on page 11. Remainder of this page is blank.]

ACKNOWLEDGMENT

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 Los Angeles)

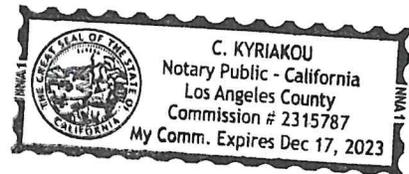
On December 11, 2023 before me, C. Kyriakou, Notary Public
(insert name and title of the officer)

personally appeared Arjun Nagarkatti,
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  (Seal)



BORROWER:

AMCAL Las Terrazas Fund, L.P.,
a California limited partnership

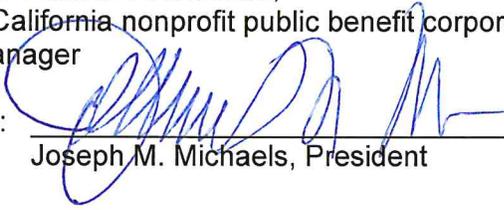
By: AMCAL FNMA LLC,
a California limited liability company
Its: Administrative General Partner

By: AMCAL Multi-Housing Inc.,
a California corporation
Its: Manager

By: _____
Arjun Nagarkatti, President

By: Brandon Affordable Housing, LLC,
a California limited liability company
Its: Managing General Partner

By: Las Palmas Foundation,
a California nonprofit public benefit corporation
Its: Manager

By: 

Joseph M. Michaels, President

[Signatures must be acknowledged.]

[Signatures continue on page 11. Remainder of this page is blank.]

ACKNOWLEDGMENT

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

State of California
County of San Diego)

On 12-13-2023 before me, Ryan Jason Monty, Notary Public
(insert name and title of the officer)

personally appeared JOSEPH M. MICHAELS,
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

Ryan Jason Monty

(Seal)

SENIOR LENDER:
**The Department of Housing and Community
Development, a public agency of the State of California**

By: _____
Christina Lister, Closings Manager

[Signatures must be acknowledged.]

EXHIBIT A-1

LEGAL DESCRIPTION OF THE PROPERTY

All that certain real property situated in the County of San Bernardino, State of California, described as follows:

PARCEL A:

THAT PORTION OF BLOCK 43, ORANGE LAND AND WATER COMPANY'S SUBDIVISION, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 11, PAGE 9, OF MAPS, AND THAT PORTION OF THE WEST 10 FEET OF CYPRESS AVENUE, VACATED BY ORDINANCE OF THE BOARD OF SUPERVISORS OF SAN BERNARDINO COUNTY, ADJOINING SAID BLOCK 43 ON THE EAST, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF CYPRESS STREET AND "I" STREET AS SHOWN ON SAID MAP;
THENCE NORTH 279 FEET ALONG THE CENTER LINE OF CYPRESS AVENUE;
THENCE WEST 30 FEET PARALLEL WITH THE CENTER LINE OF "I" STREET TO THE TRUE POINT OF BEGINNING;
THENCE WEST 200 FEET PARALLEL WITH THE CENTER-LINE OF "I" STREET;
THENCE NORTH 94 FEET PARALLEL WITH THE CENTER LINE OF CYPRESS AVENUE;
THENCE EAST 200 FEET PARALLEL WITH THE CENTER LINE OF "I" STREET TO A POINT IN THE WEST LINE OF CYPRESS AVENUE AS THE SAME NOW EXISTS;
THENCE SOUTH 94 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THE WESTERLY 45 FEET.

PARCEL B:

PARCEL 2 OF PARCEL MAP 8726, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 89, PAGE(S) 23 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL C:

PARCEL C-1:

THAT PORTION OF LOT 43, ORANGE LAND AND WATER COMPANY'S ADDITION TO THE CITY OF COLTON, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA RECORDED IN BOOK 11, PAGE 9 OF MAPS, DESCRIBED AS FOLLOWS:

COMMENCING 50' NORTH AND 30' WEST OF THE INTERSECTION OF CYPRESS AND "I" STREETS; THENCE WEST 200', NORTH 155', EAST 200', AND SOUTH 155' TO THE POINT OF BEGINNING.

PARCEL C-2:

THAT PORTION OF BLOCK 43, ORANGE LAND AND WATER COMPANY'S ADDITION TO THE CITY OF COLTON, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 11 OF MAPS, PAGE 9 AND THAT PORTION OF THE WEST 10 FEET OF CYPRESS AVENUE, VACATED BY ORDINANCE OF THE BOARD OF SUPERVISORS OF SAN BERNARDINO COUNTY ADJOINING SAID BLOCK 43 OF THE EAST, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS NORTHERLY 205 FEET MEASURED ALONG THE CENTERLINE OF CYPRESS AVENUE AS SHOWN ON SAID MAP; AND WESTERLY, 30 FEET ON A LINE PARALLEL WITH THE CENTERLINE OF "I" STREET, MEASURED FROM THE INTERSECTIONS OF SAID CENTERLINES;

THENCE WESTERLY PARALLEL WITH SAID CENTERLINE OF "I" STREET ALONG THE SOUTHERLY LINE OF THAT PARCEL DESCRIBED AS THE 1ST PARCEL UNDER ITEM NO. 7, IN THE DECREE OF DISTRIBUTION RECORDED JULY 28, 1958, IN BOOK 4564, PAGE 67 OF OFFICIAL RECORDS A DISTANCE OF 155 FEET TO THE SOUTHEAST CORNER OF THAT CERTAIN PROPERTY CONVEYED TO HERBERT E. ROWLEY, ET AL, DESCRIBED AS PARCEL NO. 1 IN THE DEED RECORDED MARCH 20, 1978 IN BOOK 9392, PAGE 1284 OF OFFICIAL RECORD;

THENCE NORTH ALONG THE EAST LINE OF SAID HERBERT E. ROWLEY PROPERTY, 74 FEET PARALLEL WITH THE CENTER LINE OF CYPRESS STREET, TO THE NORTHEAST CORNER THEREOF;

THENCE EASTERLY PARALLEL WITH THE CENTERLINE OF "I" STREET, 155 FEET TO A POINT ON THE WEST LINE OF CYPRESS AVENUE, AS SAME NOW EXISTS;

THENCE SOUTH ALONG THE WEST LINE OF CYPRESS AVENUE, 74 FEET TO THE POINT OF BEGINNING.

SAID LEGAL DESCRIPTION IS PURSUANT TO THAT CERTAIN CERTIFICATE OF COMPLIANCE NO. E0041-84 M.S. NO. LLA/E84F-0041 AS APPROVED BY THE ENVIRONMENTAL PUBLIC WORKS AGENCY, LAND MANAGEMENT DEPARTMENT OF THE COUNTY OF SAN BERNARDINO AS EVIDENCED BY DOCUMENT RECORDED MARCH 9, 1984 AS INSTRUMENT NO. 84-055456 OF OFFICIAL RECORDS.

PARCEL C-3:

THAT PORTION OF BLOCK 43, ORANGE LAND AND WATER COMPANY'S ADDITION TO THE CITY OF COLTON, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT THEREOF, RECORDED IN BOOK 11, PAGE 9 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND THAT PORTION OF THE WEST 10 FEET OF CYPRESS AVENUE, VACATED BY ORDER OF THE BOARD OF SUPERVISORS OF SAN BERNARDINO COUNTY, ADJOINING SAID BLOCK 43 ON THE EAST DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT WHICH IS NORTHERLY 205 FEET, MEASURED ALONG THE

CENTERLINE OF CYPRESS AVENUE AS SHOWN ON SAID MAP, AND WESTERLY 30 FEET ON A LINE PARALLEL WITH THE CENTERLINE OF "I" STREET, MEASURED FROM THE INTERSECTION OF SAID CENTERLINES;

THENCE WESTERLY PARALLEL WITH SAID CENTERLINE OF "L" STREET, ALONG THE SOUTHERLY LINE OF THAT PARCEL DESCRIBED AS THE 1ST PARCEL UNDER ITEM NO. 7 IN THAT DECREE OF DISTRIBUTION RECORDED JULY 28, 1958 IN BOOK 4564, PAGE 67 OF OFFICIAL RECORDS, A DISTANCE OF 155 FEET TO THE SOUTHEAST CORNER OF THAT CERTAIN PROPERTY CONVEYED TO HERBERT E. ROWLEY, ET AL., DESCRIBED AS PARCEL NO. 1 IN DEED RECORDED MARCH 20, 1978 IN BOOK 9392, PAGE 1284 OF OFFICIAL RECORDS OF SAID COUNTY SAID POINT BEING THE TRUE POINT OF BEGINNING OF THAT LEGAL TO BE DESCRIBED;

THENCE CONTINUING WEST (N 86° 03' 45" WEST) ALONG SAID PROLONGATION 45.00 FEET;

THENCE NORTH (N 04 08' 00" EAST) 74.00 FEET MORE OR LESS;

THENCE EAST (N 86° 06' 40" WEST) 45.00 FEET;

THENCE SOUTH (N 04° 08' 00" EAST) 74.04 FEET MORE OR LESS TO THE TRUE POINT OF BEGINNING.

NOTE: PURSUANT TO THE NOTICE OF MERGER RECORDED JUNE 27, 2016, AS INSTRUMENT NO. 2016-0252353 OF OFFICIAL RECORDS. THE ABOVE LEGAL DESCRIPTIONS ARE MERGED INTO ONE.

APN: 0274-182-47-0-000