

AGREEMENT FOR THE PROVISION OF AFFORDABLE HOUSING

This Agreement for the Provision of Affordable Housing (the “Agreement”) is made and entered into as of _____, 2023 (“Effective Date”), by and between San Bernardino County, a public body, corporate and politic (“County”), San Bernardino County Flood Control District, a public body, corporate and politic (“District”), and All-Era Properties, LLC, a California limited liability company (“Developer”). County, District and Developer are sometimes hereinafter referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

This Agreement is made and entered into with regard to the following facts, each of which is acknowledged as true and correct by the Parties to this Agreement:

A. District is the owner of certain real property known as Assessor Parcel Numbers (APN) 0257-012-12 and 0257-021-02 (collectively “District Property”), located south of Slover Avenue between Linden Avenue and Cedar Avenue, in the unincorporated area of Bloomington, San Bernardino County, California.

B. Developer has entered into a purchase agreement for certain real property known as APNs 0257-021-28 and 0257-031-35 (collectively “Pending Property”), located adjacent to the District Property, in the unincorporated area of Bloomington, San Bernardino County, California.

C. Developer has applied for a conditional use permit for the development of a 181-unit multi-family condominium complex and a tentative tract map to create a single lot subdivision (collectively “Project”). The Project proposes the development and construction of improvements on the Pending Property and District Property and therefore requires Developer to acquire fee ownership of both the Pending Property and District Property. The Pending Property and District Property are collectively referred to as the “Property,” and more particularly described by the legal description that is attached hereto and incorporated herein by this reference as **Exhibit A**.

D. As a public benefit of the Project to the County and District’s consideration of the future disposition of District Property, Developer offers to commit eight (8) of the 181-units of the Project as affordable housing.

E. The purpose of this Agreement is to memorialize the affordable housing commitment.

F. The Agreement is in the best interests of the Parties and for good and valuable consideration the Parties desire to enter into the Agreement pursuant to the following provisions.

AGREEMENT

NOW, THEREFORE, in consideration of the above, the Parties hereto agree as follows. The foregoing recitals are hereby incorporated by reference and made part of this Agreement.

1. Affordable Commitment. Developer agrees to commit eight (8) condominium units of the Project to an affordable housing restriction for a period of 55 years from the date of

the initial sale of each applicable unit. The Parties agree to negotiate in good faith the specific units within the Project that shall be subject to the restriction, specifically whether the eight (8) units include a unit-type Plan 1, Plan 2, Plan 3 or Plan 4 design, or combination of designs as shown on the Project site plan; the affordable restriction for each unit, specifically whether the units are dedicated to lower-income, moderate-income or very low-income households, as those terms are defined by California Health and Safety Code sections 50079.5, 50053 and 50105, respectively; and, memorialize the agreement by entering into an Affordable Housing Agreement and Declaration of Restrictive Covenants in a timeline set forth below. Nothing in this Agreement precludes the County or District from the proper exercise of its police powers, or constitute a waiver or commitment of any lawful discretion under any law regarding the County's future decision on the Project and District's future decision on the disposition of the District Property.

2. Negotiation Timeline. In the event District and Developer agree on a transaction for the disposition of District Property, a final Affordable Housing Agreement and Declaration of Restrictive Covenants shall be completed and fully executed prior to, or concurrent with, the disposition of District Property. The disposition of District Property is not a part of this Agreement and nothing in this Agreement shall constitute a commitment or agreement of any kind regarding District's intention or obligation to sell District Property to Developer.

3. Default Affordable Commitment. In the event District, in the District Board of Supervisors' sole discretion, decides in the future to dispose of District Property after complying with all applicable laws and legal requirements, and District and Developer agree on a transaction for the disposition of District Property but the Parties have been unable to finalize the terms of the Affordable Housing Agreement and Declaration of Restrictive Covenants, Developer agrees as a condition precedent to the final sale of District Property to execute an Affordable Housing Agreement and Declaration of Restrictive Covenants in which all eight (8) restricted condominium units shall be a Plan 4 design, restricted to lower-income households and all other non-essential terms shall include County's standard Housing Incentives Program (HIP) Developer Sale Agreement template, as applicable and updated, attached hereto and incorporated herein by this reference as **Exhibit C**.

4. Binding Arbitration. The submittal to arbitration in accordance with the terms hereof shall be the sole and exclusive method, means and procedure to resolve any and all disputes, claims, or controversies of any kind, whether in contract, statutory or common law, legal or equitable, or otherwise (a "Dispute"), now existing or hereafter arising between the Parties in any way arising out of, pertaining to or in connection with the agreement to enter into the Affordable Housing Agreement and Declaration of Restrictive Covenants. Any party to a Dispute may, by summary proceedings, bring an action in court to compel arbitration of any Dispute, which arbitration shall be binding. The arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association, except to the extent modified herein. The arbitrator may grant any remedy or relief that the arbitrator deems just and equitable. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

5. Notices. Any and all notices or other communications required or permitted by this Agreement or by law to be served on or given to any of the Parties shall, unless otherwise required by law, be in writing and be deemed duly served and given (a) when personally delivered to the

Party to whom it is directed, (b) when deposited to a regularly scheduled overnight delivery carrier for next day delivery, or (c) when sent by registered or certified U.S. Mail, postage prepaid, return receipt requested. Notices shall be addressed to the respective parties as set forth below or to such other address and to such other persons as the Parties may hereafter designate by written notice to the other party hereto:

Developer:

All-Era Properties, LLC
500 East Carson Plaza Drive, Suite 211
Carson, CA 90749
Attn: Kevin Kent

With Copy To:

TLKM, LLC
449 W. Foothill Blvd. #104
Glendora, CA 91741
Attn: Kevin Kent

County:

San Bernardino County
Land Use Services Department
385 N. Arrowhead Avenue, 1st Floor
San Bernardino, CA 92415
Attn: Director of Land Use Services

District:

San Bernardino County Flood Control District
Department of Public Works
825 East Third Street
San Bernardino, CA 92415
Attn: Chief Flood Control Engineer

County and District Copy To:

San Bernardino County Counsel
385 N. Arrowhead Avenue, 4th Floor
San Bernardino, CA 92415

Each notice shall be deemed delivered on the date delivered if by personal delivery or by overnight courier service, or on the date of receipt as disclosed on the return receipt if by mail. By giving to the other parties written notice as provided above, the Parties to this Agreement and their respective successors and assigns shall have the right from time to time, and at any time during the term of this Agreement, to change their respective addresses.

6. Integration. This Agreement represents and contains the entire agreement and understanding among the parties hereto with respect to the subject matter of this Agreement, as of the Effective Date, and supersedes any and all prior written and oral agreements and

understandings. This Agreement may be amended or modified only through a writing executed by all the Parties.

7. Governing Law and Venue. This Agreement shall be deemed executed and delivered within the State of California. The rights and obligations of the Parties hereunder shall be governed, construed and enforced in accordance with the laws of the State of California. Subject to Section 4 hereof, the venue for any dispute arising from or related to this Agreement, its performance, and its interpretation shall be the Superior Court of California, County of San Bernardino.

8. Severability. If any provision of this Agreement is held in whole or in part to be unenforceable for any reason, the remainder of that provision and of the entire Agreement will be severable and remain in effect.

9. No Presumption Against Drafting Party. This Agreement shall be construed as a whole according to its fair meaning, and not strictly for or against any Party. The Parties acknowledge that this Agreement documents a negotiated agreement and it shall not be construed or interpreted in favor of any Party due to the fact that one of the Party's attorneys drafted this Agreement.

10. Further Assurances. From and after the Effective Date, the Parties shall cooperate in good faith with the each other in taking such actions and executing such instruments as may be reasonably necessary to effectuate the purposes of entering into this Agreement and to perfect the rights granted hereunder.

11. Successors and Assigns. This Agreement shall be binding upon all successors and assigns of Developer that own any portion of the Project. If Developer assigns its entire or partial interest in this Agreement to a successor owner of all or a portion of the Project, Developer shall provide the County and District with written notice of such assignment and a copy of the assignment agreement. In order for Developer or any successor to be released of its obligations under this Agreement from and after the date of such assignment, the assignee in such written assignment and assumption agreement must agree, for the benefit of the County and District, to assume all obligations of the assignor hereunder with respect to the portion of the Project transferred from and after the date of such assignment.

12. Termination. This Agreement shall have no force or effect if: (i) the Project is denied or the land use entitlements are overturned by a court of law or rescinded by County; (ii) the Developer fails to obtain a fee title in the Property, including the District Property; (iii) the Project is not ultimately constructed for any reason; or (iv) at such time as the Parties enter into an Affordable Housing Agreement and Declaration of Restrictive Covenants referred to in Section 1 hereof.

13. Time is of the Essence. Time is of the essence for each provision of this Agreement for which time is an element.

14. Defaults. A Party's failure to perform or observe any of the covenants, provisions or conditions contained in this Agreement on its part to be performed or observed shall constitute a default hereunder: (a) for monetary obligations, if such failure has not been cured within fifteen

(15) days after the breaching party's receipt of written notice from the other party respecting such failure and such failure is not cured within such fifteen (15) day period; (b) for non-monetary obligations, if such failure can reasonably be cured within thirty (30) days after the breaching party's receipt of written notice from the other party respecting such failure and such failure is not cured within such thirty (30) day period; or (c) for non-monetary obligations, if such failure cannot reasonably be cured within said thirty (30) day period and the breaching party fails to promptly commence to cure such failure upon receipt of the other party's written notice with respect to the same, or thereafter fails to continue to make diligent and reasonable efforts to cure such failure.

15. Attorneys' Fees. In the event that litigation is filed to interpret or enforce any provision of this Agreement, each party shall bear its own cost and attorney fees, regardless of who is the prevailing party in such litigation.

16. Counterparts. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Agreement. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other mail transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

17. Board of Supervisors and Directors Approval. This Agreement is subject to, and shall have no force or effect until and unless first approved by the San Bernardino County Board of Supervisors and San Bernardino County Flood Control Board of Supervisors.

[signatures on following page]

IN WITNESS THEREOF, the Parties hereto have executed this Agreement as of the date first above written.

DEVELOPER:

All-Era Properties, LLC

APPROVED AS TO FORM FOR
DEVELOPER:

By: _____
Name:
Title:
Date:

COUNTY:

SAN BERNARDINO COUNTY

DISTRICT:

SAN BERNARDINO COUNTY FLOOD
CONTROL DISTRICT

Dawn Rowe, Chair,
Board of Supervisors
Date:

Dawn Rowe, Chair,
Board of Supervisors
Date:

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

APPROVED AS TO LEGAL FORM FOR
COUNTY AND DISTRICT:

Tom Bunton, County Counsel

Lynna Monell,
Clerk of the Board of Supervisors

By _____
Date:

Jason Searles
Supervising Deputy County Counsel

EXHIBIT A
PROPERTY DESCRIPTION

THE EAST 25.00 FEET OF THE WEST HALF OF LOTS 363, 370, 371 AND 378 TOGETHER WITH THE WEST 25.00 FEET OF THE EAST HALF OF SAID LOTS 363, 370, 371 AND 378. ALL PER MAP OF SEMI-TROPIC LAND COMPANY, RECORDED IN BOOK 11, PAGE 12 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SAN BERNARDINO, IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA.

EXHIBIT B
Reserved

EXHIBIT C
HOUSING INCENTIVES PROGRAM
DEVELOPER SALE AGREEMENT

Recording requested by
County of San Bernardino, California

When recorded, mail to:

Clerk of the Board of Supervisors
County of San Bernardino
385 N. Arrowhead Avenue, 2nd Floor
San Bernardino, CA 92415-0130

Space above this line for Recorder's use

COUNTY OF SAN BERNARDINO

HOUSING INCENTIVES PROGRAM (HIP)
DEVELOPER SALE AGREEMENT

This HOUSING INCENTIVES PROGRAM DEVELOPER SALE AGREEMENT ("HIP Sale Agreement"), dated as of ____ 20____, is made by and between the County of San Bernardino (the "County"), a legal subdivision and body corporate and politic of the State of California and _____, a _____ organized under the laws of the State of _____ (the "Owner"),

WITNESSETH :

WHEREAS, California Government Code, Section 65915, et seq., requires that the County grant a density bonus and/or other incentive to any developer of housing who meets certain requirements set forth therein and agrees to construct at least (1) 20 percent of the total number of units permitted by the General Plan for a housing development for lower income households, as defined in Section 50079.5 of the Health and Safety Code, or (2) 10 percent of the total number of units permitted by the General Plan for a housing development for very low income households, as defined in Section 50105 of the Health and Safety Code, or (3) 50 percent of the total dwelling units of a housing development for qualifying residents, as defined in Section 51.3 of the Civil Code, and

WHEREAS, California Code of Regulations, Title 25, Section 6910, et seq., contains regulations implementing the statute described above. The regulations contain various definitions and contain a table of income limits for families of various sizes and income levels; and

WHEREAS, pursuant to the aforementioned statute and regulations, the County's Board of Supervisors has adopted a Housing Incentives Program (HIP) setting forth criteria for the granting of various incentives, including density bonuses.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this HIP Sale Agreement, the County and the Owner agree as follows:

ARTICLE I
DEFINITIONS AND STRUCTURE

Section 1.1 Definitions. As used in this HIP Sale Agreement, the following terms shall have the following meanings.

Affordable Units. The units in the Project designated for sale to low income households or seniors.

Maximum Household Income. The term "maximum household income" in the County is as set forth in Exhibit C.

Building or Structure. The term "Building" or "Structure" means a discrete edifice or other manmade construction consisting of an independent foundation, outer walls and roof. A single unit which is not an entire building but is merely a part of a building is not a Building or Structure within the meaning hereof. As such, single townhouses are not Buildings or Structures if their foundation, outer walls, and roof are not independent. Detached houses and row houses are Buildings or Structures.

Lower-Income Household. "Lower income households" means persons and families as described in California Health and Safety Code Section 50079.5.

Very low income households. "Very low income households" means persons and families as described in California Health and Safety Code Section 50079.5.

Senior citizen. Senior citizen means a person 62 years of age or older, or 55 years or older in a senior citizen housing development, and as further defined in Section 51.3 of the Civil Code.

Maximum Sales Price. The term "Maximum Sales Price" is derived from the County median income for a family of four. The calculations and schedules of Maximum Sales Price are presented in Exhibit C.

Program. The term "Program" means the Housing Incentives Program.

Project. The term "Project" means the housing located on the real property described in Exhibit A hereto.

Term of HIP Sale Agreement. This HIP Sale Agreement shall remain in effect until the owner has satisfied its obligation hereunder, but in no event shall the period of effectiveness extend beyond 50 years from the date first appearing above.

Section 1.2 Interpretation. Unless the context clearly requires otherwise, words of any gender shall be construed to include correlative words of the other gender, and words of the singular number shall be construed to include correlative words of the plural number and vice versa. This HIP Sale Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

ARTICLE II
REPRESENTATIONS AND WARRANTIES

Sections 2.1 Representations and Warranties by County. The County represents and warrants as follows:

(A) It (1) is a legal subdivision and body corporate and politic of the State of California, duly organized and existing under and by virtue of the Constitution and laws of the State of California; (2) has lawfully determined to adopt and implement the Program; (3) has full power and authority to execute and deliver this HIP Sale Agreement and to perform its obligations hereunder; and (4) by proper action has duly authorized the execution and delivery of this HIP Sale Agreement.

(B) The execution and delivery of this HIP Sale Agreement and the consummation of the transactions contemplated hereby do not conflict with or constitute a breach of or a default under the Constitution or other laws of the State of California or the terms and conditions of any agreement or commitment to which the County is a party or by which the County is bound.

Section 2.2 Representations and Warranties by Owner. The Owner represents and warrants as follows:

(A) It is duly organized, validly existing and in good standing under the laws of the State of its organization as set forth on the first page of this HIP Sale Agreement and has the power and authority to own its properties and carry on its business as now being conducted, and is duly qualified to do such business wherever such qualification is required, including the State of California.

(B) It has the power to execute and deliver this HIP Sale Agreement and to carry out the transactions contemplated hereby and has duly authorized the execution, delivery and performance of this HIP Sale Agreement.

(C) Neither the execution or delivery of this HIP Sale Agreement nor the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the terms and conditions hereof conflicts with or results in a breach of any of the terms, conditions or provisions or any legal restriction of any agreement or instrument to which it is now a party or by which it is bound, or constitutes a default under any of the foregoing or violated any judgment, order, writ, injunction, decree, law, rule or regulation to which it is subject.

(D) It is knowledgeable and experienced in the construction and operation of housing of the magnitude and nature it proposes to undertake in connection with the Project.

ARTICLE III
OWNER COVENANTS

Section 3.1 Covenants of Owner. The Owner covenants as follows:

(A) Owner is owner of certain real property located in the _____ County of San Bernardino, described in Exhibit A.

(B) Owner proposes to construct _____ for-sale units on the property described above. The County's General Plan permits the construction of _____ housing units on the property. Owner has requested a _____ percent bonus density. County agrees that Owner shall receive the requested bonus density and any other housing incentive set forth in the HIP in consideration for compliance with all terms of this HIP Sale Agreement.

(C) Owner agrees that _____ percent of the number of units permitted by the General Plan or _____ housing units of the proposed housing units in the Project shall be committed as affordable housing to owner/occupant _____ income households as provided below. Owner further agrees to comply with all applicable requirements of the above-referenced statutes, regulations and the HIP.

(D) In accordance with this HIP Sale Agreement, the Owner shall make available for sale (to _____ income households as defined herein) _____ of the housing units constructed for the project, per phase, at a sales price not exceeding the Maximum Sales Price (as defined in Section 1.1 herein). Affordable units shall be developed at the same time or prior to market rate units. Adjustable rate mortgages, graduated payment mortgages, and mortgage buydowns shall not be utilized to qualify home buyers.

(E) The annual household income for the lower and very low income groups shall have a maximum as defined in Section 1.1. If, after 180 days from the date of final approval of the Project by the County, escrows have not begun on the required number of affordable units to qualified buyers, income limitations are eliminated for the affordable units which have not been placed in escrow, provided the Owner has documented to the County the following:

1. Owner has advertised, not less than once a week, over a 180-day period. Owner shall place a 1/8 page legal display advertisement in a newspaper of general circulation.
2. Owner has contacted the (Housing Authority or local Board of Realtors) requesting qualified buyers, not less than once a month.
3. Listing of names and addresses of interested qualified potential buyers for the affordable units.

(F) Notwithstanding any other provision of this HIP Sale Agreement to the contrary, under no circumstances shall any of the following be eligible to purchase any of the units in the Project as a lower income or very low income buyer:

1. The Owner, independent contractors of the Owner, and any management companies and sales/rental agencies retained by the Owner.
2. Employees or owners of any entity listed in 1. above.
3. Family members of any individual listed in 2, above. As used herein. The term "family member" means spouse, children, grandparents and parents.

(G) Owner shall not rent housing units(s) committed as affordable housing unless Owner and County of San Bernardino first enter into an Housing Incentives Program Rental Agreement relating to those units. The County at its discretion may refuse to execute a Housing Incentives Program Rental Agreement and Owner shall have no recourse against County for such a refusal.

(H) The Affordable Units shall be sold only to _____ income buyers for a period of _____ years from date of the individual buyer's sales contract pursuant to the terms in this HIP Sale Agreement, as provided in Section 65915(c) of the Government Code. A restriction to this effect shall be set forth on the Deed of Trust for each Affordable Unit.

(I) Owner shall complete and document to the County for each Affordable Unit within 30 days of close of escrow on each unit, the following:

1. A copy of all affordable housing sales closing statements.
2. An original, signed HIP Sale Agreement for each Affordable Unit (Exhibit B).
3. A declaration under penalty of perjury setting forth sales prices for each affordable housing unit.
4. Substantiating documentation that buyer is qualified as a _____ income household. Such documentation may include, but is not limited to, at least one of the following:
 - (A) Copy of most recent Federal Income Tax statement(s)
 - (B) Copy of W-2 forms from current employer(s)
 - (C) Copy of check stub of SSDI or other income source
5. Copy of cancellation agreement, signed by all parties, should escrow not be completed with the purchase of the designated affordable housing unit by buyers.

(J) Owner shall promptly in writing notify County upon any transfer or sale of the Project and a new HIP Sale Agreement shall be executed by the new owner prior to the close of escrow. The project shall remain subject to the requirements of this HIP Sale Agreement whether or not a new Hip Sale Agreement is executed.

ARTICLE IV

AMENDMENT BY COUNTY

Section 4.1 Amendment by County. This HIP Sales Agreement is subject to the State Density Bonus Law (California Government Code Section 65915 et seq.) and all changes to such law shall, where necessary constitute an automatic amendment to this HIP Sales Agreement. Such automatic amendments include modifications to the maximum sales prices and/or maximum income levels by the State Department of Housing and Community Development (HCD).

ARTICLE V

PENALTIES FOR DEFAULT

Section 5.1 Default Defined: Penalties. If Owner sells an affordable unit for an amount in excess of the affordable housing Maximum Sales Price, Owner shall pay to the County twice the difference between the affordable maximum sales price and actual sales price. If Owner sells an affordable unit to a buyer whose income exceeds the allowable maximum, defined in Section 1.1, Owner shall pay County \$5,000 for each and every such violation. County shall allocate any money collected pursuant to this Section for the provision of additional affordable housing, including the administration and enforcement of the HIP program.

ARTICLE VI

OTHER MATTERS

Section 6.1 Recordation of HIP Sale Agreement. This HIP Sale Agreement shall be recorded in the official records of the County, such recordation to be effected at the direction of the County.

Section 6.2 Execution in Counterparts. The HIP Sale Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, such counterparts shall constitute but one and the same instrument.

Section 6.3 Saturdays, Sundays and Holidays. If any action is required to be taken hereunder on a date which falls on a Saturday, Sunday or a holiday, such action shall be taken on the next succeeding business day.

Section 6.4 Entire Agreement. The Exhibits hereto are incorporated herein by this reference. This HIP Sale Agreement shall be construed in accordance with the laws of the State of California and constitutes the entire agreement between the parties and supersedes all prior negotiations, discussions, and preliminary understandings. This HIP Sale Agreement may be amended as the County and Owner mutually agree in writing. Any such amendment must be approved and signed by authorized representatives of the County and Owner.

Section 6.5 Notices. All notices, certificates or other communications shall be addressed as follows:

If to the County: Land Use Services Department
Policy, Environmental and Mining Section
385 N. Arrowhead Ave. 1st Floor
San Bernardino CA 92415-0187

If to the Owner: _____

The County and the Owner may, by notice given hereunder, designate any further or different addresses to which subsequent notice, certificates or other communications shall be sent.

Section 6.6 Severability. In the event any provision of this HIP Sale Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 6.7 Further Assurances and Corrective Instruments. To the extent permitted by law, the County, and the Owner agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the intention of or facilitation of the performance of this HIP Sale Agreement.

Section 6.8 Limited Liability.

(A) Nothing contained herein shall create or constitute a debt or indebtedness of the State or the County within the meaning of any provision or limitation of the Constitution or statutes of the State or shall create or constitute or give rise to a pecuniary liability of the State or the County or a charge against its general credit or taxing powers. No supervisors or officer, agent or employee of the County shall be individually or personally liable for any obligation of the County hereunder; but nothing herein contained shall relieve any such Supervisor, officer, agent or employee from the performance of any official duty provided by law.

(B) Owner shall indemnify, defend and hold harmless the County, its officers, agents and employees for any and all claims, losses or legal actions arising from any and all of the actions or omission of the Owner, its employees, agents or subcontractors pertaining to this HIP Sale Agreement.

Section 6.9 Waiver. No waiver of a breach of any provision of this HIP Sale Agreement shall constitute a waiver of any other breach or other provision. Failure of Owner or County to enforce at any time, or from time to time, any provision in this HIP Sale Agreement shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and in addition to any other remedies in law or equity.

Section 6.10 Captions and Paragraph Headings. Captions and paragraph headings used herein are for convenience only and are not a part of this HIP Sale Agreement and shall not be used in the interpretation thereof.

Section 6.11 Breach. In the event Owner shall violate any provision of this HIP Sale Agreement, including a default as defined in paragraph 5.1 hereof, Owner shall reimburse County for all costs, including reasonable attorney's fees, to the extent provided by law, incurred by County in enforcing this HIP Sale Agreement or its rights hereunder.

IN WITNESS WHEREOF, the parties have caused this HIP Sale Agreement to be signed and sealed by their respective, duly authorized representatives, as of the day and year first written above.

[SEAL]

COUNTY OF SAN BERNARDINO

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD
DENA SMITH
Clerk of the Board of Supervisors
of the County of San Bernardino

Deputy

By: _____
Chairman of the Board of Supervisors

[SEAL]

ATTEST:

(Owner)

By: _____

**EXHIBIT A
to HIP Sale Agreement**

Description of the real property
on which the project is located
(Include Assessor Parcel Number)

EXHIBIT B

**COUNTY OF SAN BERNARDINO
HIP SALE AGREEMENT CONTRACT NUMBER:**

The sale of this housing unit is subject to the County of San Bernardino's affordable housing regulations. To comply with County regulations, this form must be completed and signed by both the Home Seller and Home Buyer.

1. Maximum allowable gross income \$ _____
Buyers gross income for 20____ \$ _____ (line _____ of IRS Form _____).

(Note: If after one hundred eighty (180) days from the date of final approval by the County, escrows have not begun on the required number of Affordable Units to qualified buyers, income limitations are eliminated.)

2. Project Address (Include Assessor Parcel Number)

3. Maximum allowable sales price \$ _____ at _____% Interest Rate
Sales price of affordable housing unit \$ _____ at _____% Interest Rate
(Adjustable rate mortgages, graduated payment mortgages, and mortgage buydowns shall not be used to qualify home buyers for the Housing Incentives Program.)
4. Affordable Unit must be occupied by owner whose eligibility has been determined to the satisfaction of the County.
5. Buyer and Seller attest under penalty of perjury under the laws of the State of California that income and sales price do not exceed maximums set forth above.

Buyer's name (please print)

Buyer's signature

Date

Seller's name (please print)

Seller's signature

Date

EXHIBIT C

2015 INCOME LEVELS FOR LOW AND VERY LOW HOUSEHOLDS

Median \$65,000 Lower \$53,600 Very Low \$33,500 Ext. Low \$24,250

Procedure for Computing Maximum Sales Prices for the HIP Program

Calculate Maximum Price:

Household Income / Month TIMES Proportion of Income for Housing:
Lower Income/Very Low Income 30%/30%

MINUS Homeowner/Other Fees: \$60.00 per month

YIELDS Monthly Mortgage Payment (with 10% for Taxes & Insurance)
Mortgage Rate... 6% - 9%
Term of Loan.... 30 years

Present Value - Monthly Payments
YIELDS Mortgage Loan - Amount Down payment..... 10.00%

MAXIMUM PRICE OF THE HOUSING UNIT MAXIMUM SALE PRICES AND INTEREST RATES

Using various mortgage rates, the maximum sales prices for the Housing Incentive Program are as follows. No restrictions regarding minimum numbers of bedrooms or unit size apply.

Lower Income:

		Interest	Maximum Price
		3.0%	\$250,103
Share of Income	30%	4.0%	\$227,615
Monthly Fees	\$60	5.0%	\$207,807
Monthly payment cannot exceed	\$1,273	6.0%	\$190,513

Very Low Income:

		3.0%	\$153,933
Share Income	30%	4.0%	\$138,361
Monthly Fees	\$60	5.0%	\$126,361
Monthly Payment cannot exceed	\$773	6.0%	\$115,735

Note: While the mortgage rate for a particular project may be designated at a specific level when a project receives HIP approvals, mortgage rates typically fluctuate over time, and so the specific rate(s) utilized as the project is marketed may be subject to negotiation between the Project Developer and San Bernardino County.

EXHIBIT D

2015 INCOME LEVELS FOR LOW AND VERY LOW HOUSEHOLDS

Median	\$65,000	Lower	\$53,600	Very Low	\$33,500	Ext. Low	\$24,250
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MAXIMUM INCOME LIMITS BY HOUSEHOLD SIZE; HIP 2015

Lower Income:

Size		Size	
1	\$36,400	5	\$56,200
2	41,600	6	60,350
3	46,800	7	64,500
4	52,000	8	68,650

Very Low Income:

Size		Size	
1	\$22,750	5	\$35,100
2	26,000	6	37,700
3	29,250	7	40,300
4	32,500	8	42,900

Revised 12/2/2015

EXHIBIT C

2015 INCOME LEVELS FOR MODERATE HOUSEHOLDS

Median \$65,000

Moderate \$78,000

Procedure for Computing Maximum Sales Prices for the HIP Program

Calculate Maximum Price:

Household Income / Month TIMES Proportion of Income for Housing:
Moderate Income 30%/30%

MINUS Homeowner/Other Fees: \$60.00 per month

YIELDS Monthly Mortgage Payment (with 10% for Taxes & Insurance)
Mortgage Rate... 6% - 9%
Term of Loan.... 30 years

Present Value - Monthly Payments
YIELDS Mortgage Loan - Amount Down payment..... 10.00%

**MAXIMUM PRICE OF THE HOUSING UNIT
MAXIMUM SALE PRICES AND INTEREST RATES**

Using various mortgage rates, the maximum sales prices for the Housing Incentive Program are as follows. No restrictions regarding minimum numbers of bedrooms or unit size apply.

<u>Moderate Income:</u>		Interest	Maximum Price
		3.0%	\$369,225
		4.0%	\$336,069
Share of Income	30%	5.0%	\$306,951
Monthly Fees	\$60	6.0%	\$281,137
Monthly payment cannot exceed	\$1,800	7.0%	\$258,362

Note: While the mortgage rate for a particular project may be designated at a specific level when a project receives HIP approvals, mortgage rates typically fluctuate over time, and so the specific rate(s) utilized as the project is marketed may be subject to negotiation between the Project Developer and San Bernardino County.

EXHIBIT D

2015 INCOME LEVELS FOR MODERATE HOUSEHOLDS

Median \$65,000

Moderate \$78,000

MAXIMUM INCOME LIMITS BY HOUSEHOLD SIZE; HIP 2014

Moderate Income:

Size		Size	
1	\$54,600	5	\$84,250
2	62,400	6	90,500
3	70,200	7	96,750
4	78,000	8	103,000

Revised 12/2/2015