

**First Amendment to the
COUNTY HOME LOAN AGREEMENT
(\$1,209,957)**

Between

County of Santa Barbara

and

Casas de las Flores, L.P.

(Casas de las Flores Affordable Housing Project)



HOME Investment Partnerships Program
Catalog of Federal Domestic Assistance Number 14.239

**COUNTY HOME LOAN AGREEMENT
(CASAS DE LAS FLORES AFFORDABLE HOUSING PROJECT)**

This First Amendment to the agreement (“County HOME Loan Agreement”) is made as of this 2nd day of December, 2014, by and between the County of Santa Barbara, political subdivision of the State of California (“Lender”), and Casas de las Flores, L.P., a California Limited Partnership (“Borrower”).

RECITALS

A. Pursuant to the FY 2012-2013 Annual Action Plan Substantial Amendment approved by the Board of Supervisors of the County of Santa Barbara (“Board”) on June 18, 2013, HOME funding has been designated for the Project, and on February 11, 2014, the Board approved the County HOME Loan and the County HOME Loan Agreement (Agreement) and related documents were executed.

B. Section 1.32 states that the permanent loan to be purchased by and assigned to California Community Reinvestment Corporation shall not exceed \$2,600,000.

C. The County agrees to allow the permanent loan to be increased, not to exceed \$2,800,000.

D. Section 2.11 of the Agreement states: “Borrow shall fund an operating and replacement reserve in the amount of not less than Six Hundred Dollars (\$600.00) per unit per year and shall capitalize an operating reserve in the amount of \$260,000. The balance of Operating and Replacement Reserve Funds shall be reduced on a dollar-for-dollar basis by any such reserves required by and held with senior lenders. Reserve balances shall be provided in the Annual Financial Statement submitted to Lender annually.”

E. The permanent lender, California Community Reinvestment Corporation agrees to reduce the required replacement reserves for the Project to \$250.00 per unit per year.

F. The County agrees to reduce the required amount of annual contributions to replacement reserves to not less than \$250 per unit per year.

NOW THEREFORE, IN CONSIDERATION of the mutual agreements, obligations, and representations, and in further consideration for the making of the County HOME Loan, Borrower and Lender hereby agree as follows:

Section 1.32 of the Agreement is hereby amended to read:

“**SENIOR LOANS**” mean the JP Morgan Chase Bank, N.A. loans in first position in the estimated amount of Twelve Million Three Hundred Thousand Dollars (\$12,300,000) construction loan, which will convert to a permanent loan in the estimated amount of Two Million Eight Hundred Thousand Dollars (\$2,800,000) to be purchased by and assigned to California Community Reinvestment Corporation at the time of such conversion.

Section 2.11 of the Agreement is hereby amended to read:

OPERATING AND REPLACEMENT RESERVE FUNDS. Borrower shall fund an operating and replacement reserve in the amount of not less than Two Hundred fifty Dollars (\$250) per unit per year and shall capitalize an operating reserve in the amount of \$260,000. The balance of Operating and Replacement Reserve Funds shall be reduced on a dollar-for-dollar basis by any such reserves required by and held with senior lenders. Reserve balances shall be provided in the Annual Financial Statement submitted to Lender annually.

Except as set forth hereof, this First Amendment shall not modify or change any of the provisions of the AGREEMENT and the parties to the Agreement are bound by its provisions, as amended herein.

Signatures appear on following page. No further text appears here.

IN WITNESS WHEREOF, County and Borrower have caused this Agreement to be executed by their respective duly authorized officers.

ATTEST:

MONA MIYASATO
Clerk of the Board

By: _____
Deputy Clerk of the Board

COUNTY:

County of Santa Barbara,
a political subdivision of the State of California

By: _____
Steve Lavagnino, Chair
Board of Supervisors

**APPROVED AS TO ACCOUNTING
FORM:**

Director
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By: _____
Deputy

By: _____
Renée E. Bahl, Interim
Community Services Director

**APPROVED AS TO FORM
MICHAEL C. GHIZZONI
COUNTY COUNSEL**

By: _____
Deputy County Counsel

BORROWER

Casa de las Flores, L.P.,
a California Limited Partnership
By: Peoples' Self-Help Housing Corporation,
a California nonprofit public benefit corporation,
its managing partner

**APPROVED AS TO FORM:
RISK MANAGEMENT**

By: _____
Ray Aromatorio, ARM, AIC
Risk Manager

By: _____
Executive Director